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## Monterey, California



### THESIS

**PROSPECTS FOR DEMOCRATIC TRANSITION IN A POST-  
CASTRO CUBA: IMPLICATIONS FOR U.S. POLICY**

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December 1998

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The purpose of this thesis is to explore the transition path Cuba has been on since the collapse of the Soviet Union in four key arenas: political society, economic society, civil society, and the international arena. It will also determine if these alterations have helped pave the way for liberalization and a transition to democracy after Castro is gone. In short, this thesis argues that what occurs in Cuba before Castro dies will determine what happens after he dies. Recommendations for U.S. policy are made based on the findings in this thesis.

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IMPLICATIONS FOR U. S. POLICY**

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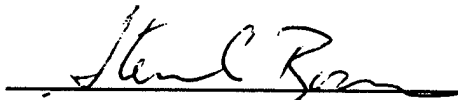
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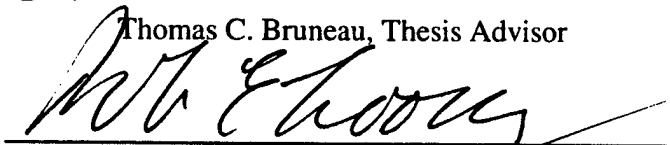
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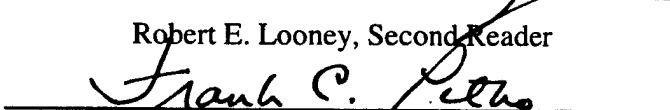
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## ABSTRACT

The tidal wave of democracy has yet to crash across the shores of Cuba primarily because the colossal persona of Fidel Castro has obstructed its path. What will happen when Castro is gone from the political scene? What forces, if any, exist on the Caribbean Island that would encourage change? Is the wave of democracy simply circling Cuba awaiting Castro's downfall or has Fidel created a breakwater that will keep his revolution alive well past his death? Castro's passing will undoubtedly bring about a leadership vacuum in Cuba that will thrust the island further along a transitional path, a path that began when Cuba lost its Soviet benefactor.

The purpose of this thesis is to explore the transition path Cuba has been on since the collapse of the Soviet Union in four key arenas: political society, economic society, civil society, and the international arena. It will also determine if these alterations have helped pave the way for liberalization and a transition to democracy after Castro is gone. In short, this thesis argues that what occurs in Cuba before Castro dies will determine what happens after he dies. Recommendations for U.S. policy are made based on the findings in this thesis.



## TABLE OF CONTENTS

<b>I. INTRODUCTION.....</b>	<b>1</b>
A. THEORETICAL FRAMEWORK.....	2
B. WHY POST CASTRO? .....	5
C. THE POST-CASTRO CUBA.....	6
D. THESIS INTRODUCTION.....	8
E. THESIS IMPLICATIONS.....	10
<b>II. CUBAN POLITICAL SOCIETY.....</b>	<b>11</b>
A. INTRODUCTION .....	11
B. POLITICAL SOCIETY AND DEMOCRACY .....	12
C. POLITICAL PROCESS AND PARTICIPATION.....	14
D. THE CUBAN COMMUNIST PARTY (PCC).....	16
E. THE CUBAN ARMED FORCES (FAR).....	19
F. INSTITUTIONAL STRENGTH OF THE FAR.....	24
G. A UNIQUE COMMUNIST AND LATIN MILITARY .....	28
H. AN AVENUE FOR CHANGE? .....	31
1. Masses .....	31
2. The Cuban Communist Party (PCC).....	32
3. The Cuban Armed Forces .....	32
I. CONCLUSION.....	35
<b>III. ECONOMIC SOCIETY.....</b>	<b>37</b>
A. INTRODUCTION .....	37
B. MARKET AND DEMOCRACY .....	38
C. THE CUBAN ECONOMY .....	39
D. CUBAN ECONOMIC REFORMS.....	41
1. Fiscal Policy.....	41
a. Budget Austerity.....	42
b. Taxation.....	43
c. Monetary Policy .....	44
d. Price Control.....	45
2. Privatization .....	47
a. Land.....	47
b. Labor .....	49
c. Industry.....	52
E. TRADE LIBERALIZATION AND FOREIGN INVESTMENT .....	52
F. CREDIT.....	54
G. AN AVENUE FOR CHANGE? .....	55
1. Fiscal Reforms .....	56
2. Privatization.....	57
3. Trade Liberalization and Foreign Investment .....	58
4. Credit Market.....	58
H. CONCLUSION.....	58
<b>IV. CIVIL SOCIETY .....</b>	<b>61</b>
A. INTRODUCTION .....	61
B. CIVIL SOCIETY, TRANSITION, AND DEMOCRACY .....	61
C. THE STATE, LIBERALIZATION, AND CIVIL SOCIETY IN CUBA .....	63
1. The State .....	63
2. Committees for the Defense of the Revolution (CDRs) .....	64
D. LIBERALIZATION .....	64
1. Economic Liberalization.....	65
2. Political Liberalization.....	66



E. CIVIL SOCIETY AND NGOS .....	67
F. THE CATHOLIC CHURCH.....	72
G. THE PAPAL VISIT.....	74
H. THE STATE RE-EMERGES .....	76
I. AN AVENUE FOR CHANGE? .....	77
1. Economic Liberalization.....	78
2. Political Liberalization.....	78
3. NGO Growth .....	79
4. Masses .....	79
J. CONCLUSION.....	79
<b>V. INTERNATIONAL FACTORS .....</b>	<b>81</b>
A. INTRODUCTION .....	81
B. INTERNATIONAL FACTORS, TRANSITION, AND DEMOCRACY .....	81
C. INTERNATIONAL FACTORS THE CUBAN HISTORICAL CASE.....	83
D. KEY INTERNATIONAL ACTORS .....	85
1. The United States.....	86
a. The Embargo .....	86
b. Policy Changes .....	89
c. U.S.-Cuban Relations in the International Arena.....	90
2. Latin America .....	91
3. Spain .....	93
4. Canada .....	94
5. The Catholic Church.....	95
E. AN AVENUE FOR CHANGE? .....	97
1. Political Society .....	98
2. Economic Society .....	99
3. Civil Society .....	100
F. CONCLUSION.....	100
<b>VI. CONCLUSIONS AND RECOMMENDATIONS .....</b>	<b>101</b>
A. CONCLUSIONS .....	101
1. Political Society .....	102
2. Economic Society .....	102
3. Civil Society .....	103
4. International Factors .....	103
B. TESTING THE THEORY.....	104
C. IT IS TIME TO COME IN FROM THE COLD: U.S. STRATEGY FOR CUBA IN THE NEW MILLENNIUM .....	105
D. POLICY OPTIONS .....	106
E. RECOMMENDATION .....	108
1. Peaceful Transition .....	109
2. Democratic Change Post-Castro .....	109
<b>BIBLIOGRAPHY.....</b>	<b>111</b>
<b>INITIAL DISTRIBUTION LIST .....</b>	<b>121</b>

## LIST OF FIGURES AND TABLES

Figure 1.1 The interaction between political, economic, and civil society.....	3
Figure 1.2 The interaction between political, economic, and civil society, and the international arena.....	3
Table 2.1 Potential for Democratic Transition in a Post Castro Cuba: Political Society.....	31
Table 2.2 Military Expenditures, Military Expenditures (ME) as percent of Gross National Product (GNP), and personnel of the Cuban Military 1985-1995, odd years.* .....	33
Table 3.1 Gross Domestic Product (GDP) and Deficit from 1989-1997 (millions of pesos). .....	47
Table 3.2 Selected Prices at Agricultural Markets in Havana, 1994-1998 (in pesos/pound).....	49
Table 3.3 Cuban Trade (in billions of pesos) and Joint Ventures (total) from 1989 to 1997.....	54
Table 3.4 Potential for Democratic Transition in a Post-Castro Cuba: Cuban Economy. ....	56
Table 4.1 Potential for Democratic Transition in a Post-Castro Cuba: Civil Society.....	78
Table 5.1 Amount of pledged and delivered investments in Cuba from selected areas since 1990 (in millions of dollars.)* .....	95
Table 5.2 Potential for Democratic Transition in a Post-Castro Cuba: International Factors.....	98
Table 6.1 Potential for Democratic Transition in a Post-Castro Cuba. ....	101
Table 6.2 Comparison of Linz and Stepan Implications of Prior Non-democratic Regime (Post- totalitarian) with Cuban Prospects for Democracy in Critical Arenas.....	104
Table 6.3 Arguments for Lifting or Maintaining the U.S. Embargo of Cuba .....	107

## I. INTRODUCTION

The tidal wave of democracy has yet to crash across the shores of Cuba primarily because the colossal persona of Fidel Castro has obstructed its path. Since the fall of the Berlin Wall, there have been a seemingly infinite number of authors and politicians that have announced the inexorable passage of Castro from power. Yet, he remains entrenched; witness his reelection to another five-year term as president by the Cuban Council of State.<sup>1</sup> But what will happen when Castro is gone from the political scene? What forces, if any, exist on the Caribbean Island that would encourage change? Is the wave of democracy simply circling Cuba awaiting Castro's downfall or has Fidel created a breakwater that will keep his revolution alive well past his demise? Perhaps Castro's Cuba is unique in that he has created a situation, unlike China and Vietnam after the deaths of those countries' charismatic leaders, where his legacy and staunch anti-capitalist, policies will remain after his death.

Castro has attempted to build institutions of control, such as the military, the Communist Party, and the political process that will carry on his revolution after his death. However, Castro's passing will undoubtedly bring about a leadership vacuum in Cuba that will thrust the island further along a transitional path, a path that began when Cuba lost its Soviet benefactor. The purpose of this thesis is to explore the transition path Cuba has been on since the collapse of the Soviet Union in four key arenas: political society, economic society, civil society, and the international arena.<sup>2</sup> It will also determine if these alterations have helped pave the way for liberalization and a transition

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<sup>1</sup> "Castro and His Top Aides Are Re-Elected," *Reuters*, 25 February 1998.

<sup>2</sup> The focus on these arenas is from Juan J. Linz and Alfred Stepan, *Problems of Democratic Transition and Consolidation: Southern Europe, South America and Post-Communist Europe* (Baltimore: The Johns Hopkins University Press, 1996), 3-15. Linz and Stepan fail to emphasize international factors in transition but they should. International factors have a particularly important role in Cuba.

to democracy after Castro is gone. In short, this thesis argues that what occurs in Cuba before Castro dies will determine what happens after he dies.

Before exploring the elements that will determine a transition to democracy in Cuba, several factors will be discussed: the relationship between democracy and political society, economic society, civil society, and the international arena; the reasons transition cannot occur with Castro in power; and the most likely scenario in Cuba after Fidel's demise.

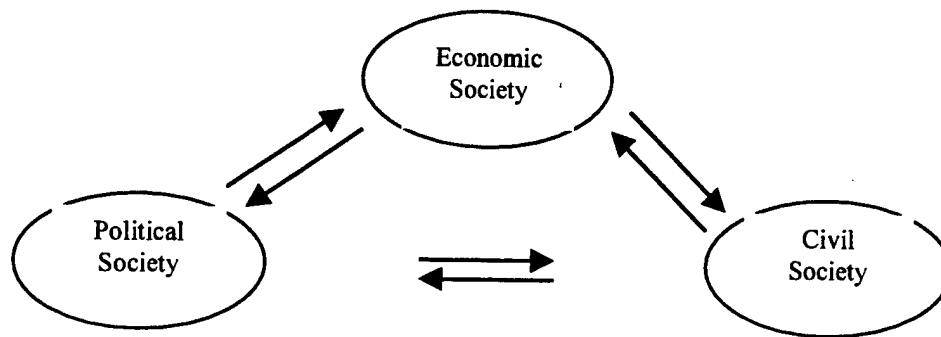
## **A. THEORETICAL FRAMEWORK**

The conceptual basis of this thesis stems from Juan J. Linz's and Alfred Stepan's *Problems of Democratic Transition and Consolidation: Southern Europe, South America and Post-Communist Europe*. In their work, the authors discuss the importance of five essential arenas of democracy of which political society, economic society, and civil society are included.<sup>3</sup> They emphasize the key role that these arenas play in determining a country's transition from a non-democratic society to a democratic one and test their theory on Southern Europe in the 1970s, Latin America in the 1980s, and Post-Communist Europe in the late 1980s and early 1990s. The authors further emphasize that democracy is "an interacting system. No single arena in such a system can function properly without some support from one or all of the other arenas."<sup>4</sup> In essence, political, economic, and civil societies support and counteract one another in determining a transition from a non-democratic regime. Figure 1 depicts this relationship.

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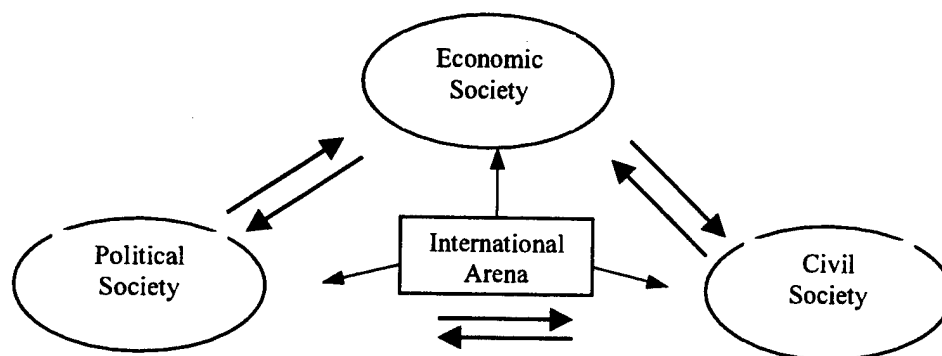
<sup>3</sup> Ibid. The other arenas include rule of law and the state apparatus. While the authors' major argument is focused on consolidated democracies, these arenas provide an important area of study in the transition to democracy.

<sup>4</sup> Ibid., 13.



**Figure 1.1 The interaction between political, economic, and civil society.**

In addition to the framework set out by Linz and Stepan, international factors will also have an effect on the Cuban transition, although somewhat less expectantly than the internal arenas of political, economic, and civil society. This relationship is depicted in Figure 1.2.



**Figure 1.2 The interaction between political, economic, and civil society, and the international arena.**

To picture Cuba's position currently would be to see a very large political society pressuring a small economic society and an even smaller civil society with international players attempting to affect all arenas. Fidel and Raul Castro's departure will dramatically change the balance of power within Cuba and a new equilibrium will have to be established amongst emerging powers from political, economic, civil, and international arenas. The hypothesis presented in this thesis is that the emerging groups

from Cuba's economic and civil societies, supported by external international factors, will challenge the dominant political society. These groups could emerge from Cuba's entrepreneurs or from Non-Governmental organizations (NGOs) that will likely obtain more political and economic freedom after Castro is gone. The organizations will grow in stature, shrinking political society's influence, and possibly pave the way for liberalization and democratic transition. Economic society will potentially have a greater role to play in Cuba because of the realities of today's financially interdependent world.

Linz and Stepan also highlight the importance sovereignty and the development of a nation has on democratic transition. They argue that democracy cannot exist without a state.<sup>5</sup> Here, Cuba has an advantage in two distinct ways. First, Cuba and Cubans are a generally homogeneous society. Cubans speak the same language, have a similar historical heritage and generally identify with Cuba as a nation-state. The second advantage is the impact Castro and his revolution have had on Cuba. Before Castro, Cuban history was dominated by foreign influence. And while the Soviets exerted influence with Castro, they certainly did not wield enough power to seriously affect Cuban policy. Evidence of Castro's ability to create sovereignty and a nation are even greater today because of the collapse of communism. Castro has always been much more a nationalist leader and savvy politician than he was ever a communist. Cuba is clearly sovereign.

Throughout this paper, elements of liberalization in political, economic, civil, and international arenas will be identified because liberalization has been the precursor to democratic transition. As Guillermo O'Donnell points out, "...the process of

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<sup>5</sup> Linz and Stepan, 16-37.

liberalization seems almost invariably to precede or lead democratization. Since it does not directly and immediately involve the transfer or surrender of power, the risks to established interests of liberalization are significantly less than of democratization.”<sup>6</sup>

## **B. WHY POST CASTRO?**

Put into 1990s terms, Fidel is the man! He is a true *caudillo* and has become an institution himself in Cuba. He controls every mechanism of the state apparatus: he is President of the Republic, President of the Council of State, President of the Council of Ministers, Secretary General of the Communist Party, and Commander-in-Chief of the Armed Forces. He has shown an uncanny ability to remain in power in the face of insurrections, assassination attempts, an economic embargo, the loss of a benefactor, and a deep economic crisis. How has he done it? Some would argue through cold-blooded repression. Others would say through extraordinary statesmanship. However, few would attribute his success to luck. Castro has used a variety of tools, including statesmanship and repression, to ensconce himself in power. He has expertly manipulated Cuba's internal and external political landscape to release and tighten pressure on Cuba to maintain power – Castro's ultimate *raison d'être*. The fact that he remains in charge of Cuba today is testament to his ability to keep Cuba in a state of inertia. The point of emphasis is that because of Fidel's actions, Cuba is unable to create the means to support democracy and will remain unable to do so until he, and probably Raul Castro as well, has departed the Cuban landscape. Thus, this thesis assumes that both Castros will have left the Cuban political scene before a successful transition to democracy.

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<sup>6</sup> Guillermo O'Donnell, "Introduction to the Latin American Cases," in Phillippe C. Schmitter and Guillermo O'Donnell eds., *Transitions from Authoritarian Rule: Tentative Conclusions about Uncertain Democracies* (Baltimore: Johns Hopkins University Press, 1986), 8.

### C. THE POST-CASTRO CUBA

There are three primary political camps in Cuba: Hard liners (*Duros*) led by Fidel Castro; Centrists (*Centristas*) headed by Raul Castro, and backed by the Cuban Armed Forces (FAR); and Reformers (*Reformistas*) who are guided by Foreign Minister Roberto Robaina, Vice President of the Council of State and economic czar Carlos Lage (though there is some evidence that Lage has moved to the Centrist camp), and Minister of the Economy Jose Luis Rodriguez.<sup>7</sup>

Those in the hard-line camp are opposed to restructuring the Cuban economy and have very staunch views regarding internal and external security. The Centrists have been primarily responsible for recent economic changes on the island, but maintain a strong view concerning security. The Reformers appear to challenge the notion of a closed economy and are aware of the effectiveness of a mixed economy. The Centrists, with support from the Reformers, have been in charge of planning and implementing the changes in the economy that have been underway since the onset of the Cuban economic crisis or "The Special Period in Time of Peace," the term Cuban officials have used since 1991 in reference to their economic crisis.

The *Centristas* are in the best position to assume power after Castro mostly because of their increased influence in present-day Cuba. Additionally, as the center, they have excellent opportunities to forge alliances with both *Duros* and *Reformistas* in a transition.

The best examples of the increased influence of the Centrists can be viewed through the market reforms that Cuba has undertaken since 1991, and from Raul Castro's

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<sup>7</sup> The best discussion of these camps is available in Edward Gonzales, *Cuba: Clearing Perilous Waters?* (Santa Monica: RAND, 1996), ix, 40-43.



elevated prestige. Much of the credit for the economic reforms has gone to Raul, Fidel's younger brother. The latter officially named the former as his eventual successor at the fifth party congress in October 1997; a fact not to be understated as it has taken nearly 40 years for Fidel to actually do this. Further, Raul has taken on a more prominent role in running the Communist Party. He visited China in November 1997 to acquaint himself with economic changes there and stopped in Rome to organize the Papal visit to Cuba, which occurred in January 1998.<sup>8</sup>

Vastly different scenarios have been developed to describe post-Castro Cuba. These have ranged from the leader's retirement, to violent insurrection, to Castro's death. Clearly, there will be a power vacuum when Fidel is gone. Some authors argue that a coalition of elite forces will assume power:

Already the regime has followed a pattern of the newly industrialized countries (NICs) in creating a cadre of technical and professional personnel who have mastered the science of organization and management. An alliance of technocrats, military personnel, and foreign interests looks very much like a recipe for authoritarianism of the 1970s Latin America.<sup>9</sup>

Others argue that the military will have to hold the country together through the transition, arguing for its prominence over the party and the communist system:

Unlike Cuba's communist Party whose legitimacy has eroded because of the worldwide collapse of communism and the island's severe economic crisis, the FAR now has emerged as the most powerful institution in Cuba today. The FAR possesses not only the weapons but also the organization, command structure, and leadership skills needed to take over in a crisis situation.<sup>10</sup>

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<sup>8</sup> Larry Rohter, "Castro's Brother Takes Bigger Role in Cuba," *The New York Times*, 2 February 1998.

<sup>9</sup> Miguel Angel Centeno, "Cuba's Search for Alternatives" in *Toward a New Cuba? Legacies of a Revolution* ed. Miguel Angel Centeno and Mauricio Font (Boulder: Lynne Reinner Publishers, 1997), 19.

<sup>10</sup> Edward Gonzales, *Cuba's Dismal Post-Castro Futures* (Santa Monica: RAND, 1996), 13.

The void is most likely to be filled by civilian and military elites, the leaders of the key remaining institutions in Cuba – the Cuban Military and the Cuban Communist Party – who will likely share power through the transition.<sup>11</sup>

#### **D. THESIS INTRODUCTION**

Each chapter in this thesis initially explores democratic transition theory on each of the essential arenas studied: political society, economic society, civil society, and the international arena. The Cuban case study for each arena is then presented. Theory and fact are then married to view what, if any, avenues for change exist in Cuba. Finally, each chapter summarizes factors that support and impede liberalization in Cuba and what implications for democratization can be inferred from these factors.

Chapter II investigates Cuban political society and the key elements that will remain after Castro: the military, the Communist Party, and mass involvement in the political system. Second only to Castro, the Cuban Armed Forces are the strongest institution in Cuba and will be the pivotal organization to contribute any kind of change in Cuba. They seem to be able to accept civilian leadership and the civilian leadership has recognized the military's overall competence. This mutual acceptance and recognition can contribute toward a democratic transition.

The Cuban Communist Party (PCC) will also play a significant role in determining the post-Castro Cuba. Its functionaries and leaders maintain much of the bureaucratic and political power in Cuba. Because of this control, it is likely that a

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<sup>11</sup> Gonzalez, *Cuba: Clearing Perilous Waters*, 107-119. Gonzales discusses four possibilities for filling the void. In the first scenario, the regime muddles through. In the second scenario, he discusses heightened authoritarianism and stasis. In the third scenario, Gonzales opines non-violent change and power sharing. In the fourth scenario, he sees violent system change. I have combined aspects of the regime muddling through and a power sharing system between the civilian and military because I believe this is the most likely scenario after Castro.

member from the party will be chosen to help lead the country after Castro. To its credit, the party has continually sought to rejuvenate itself in various ways since its inception. However, the party is riddled with hard-line communists who have vested interests in remaining in power. Overall, the PCC will likely be the greatest impediment to democratic change in Cuba.

Chapter III explores the Cuban economy and the significant changes which have occurred since the loss of Cuba's Soviet benefactor. Since 1993, Cuba has enacted fiscal reforms which have set the country on an irreversible course toward a market-oriented economy. Cuba has embarked on an austere fiscal policy similar to an International Monetary Fund prescription whereby they have laid off numerous state employees, begun a privatization program, opened the economy to international market forces, and explored ways of restructuring their debt. Privatization in land, labor, and industry, though limited, is gaining. Cuba has dramatically increased its integration into a world economy and is being influenced by Western, market-oriented democracies. This situation portends a shift toward a market economy which in turn will aid in a shift to democracy.

Cuban civil society is analyzed in Chapter IV. Although civil society lacks institutional strength, it has recently strengthened and will play an important role in a transition to democracy. On the one hand, Cuban NGOs have grown dramatically since the fall of the Soviet Union. On the other hand, Castro has been extremely effective at fragmenting and controlling any movements that have been pro-democracy. While the Cuban people have made tremendous strides toward creating a civil society, that society is clearly in its infancy and must grow and receive tremendous support from internal and external sources if it is to be a factor in Cuban democratization.

Chapter V examines the international factors that will affect the Cuban transition, with emphasis on the U.S. role. International players have historically played a strong role in Cuba and will continue to do so after Castro's demise. While international forces cannot be the principal instruments of democratic change in Cuba, they can provide a guide for the political, economic, and civil society actors within Cuba that will affect change after Castro. In today's interdependent political and economic world, international forces, and specifically the United States, are sure to play an important role in democratizing Cuba after Castro.

#### **E. THESIS IMPLICATIONS**

This thesis addresses three points. First, it evaluates contemporary Cuba within the context of Linz and Stepan and shows their theory to be effective in determining potential for democratic transition and consolidation. Highlighting the international influence on transition also bolsters the Linz and Stepan theory. Second, the thesis presented here can be applied to other countries, such as North Korea or those in Africa, as a model to determine transition paths. Third, this thesis draws clear implications for U.S. policy toward Cuba.

## II. CUBAN POLITICAL SOCIETY

### A. INTRODUCTION

Political society can be defined as “that arena in which the polity specifically arranges itself to contest the legitimate right to exercise control over public power.”<sup>12</sup> Key elements that make up any polity include the “political institutions, both input (political parties, interest groups, mass media), and output (legislatures, executives, bureaucracies, courts); the specific incumbents of those institutions; and the nation.”<sup>13</sup> In many countries, the elements of political society are numerous and various individuals and groups have influence. In Cuba, however, Fidel Castro dominates political society. But what institutions in Cuba will survive him? How will they interact to determine Cuba’s political organization after Castro? Will they maintain status quo or will they succumb to the forces of democracy?

Aside from the institution of Fidel Castro himself, the key elements of political society within Cuba are the Cuban Armed Forces (FAR), the Cuban Communist Party (PCC), and the existing political system and its participatory process. This chapter will examine the role these three elements have played in Cuban political society, the impact of Cuba’s transition on these groups, the role they might play in a post-Castro Cuba, and whether they will impede or support democratic transition. A majority of this chapter is devoted to the Cuban military because of its anticipated preeminence after Castro. Prior to exploring the FAR, the PCC, and the Cuban political system, a framework for understanding political society and its role in transition is necessary.

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<sup>12</sup> Linz and Stepan, *Problems of Democratic Transition and Consolidation*, 8.

<sup>13</sup> Larry Diamond, “Introduction: Political Culture and Democracy,” in Larry Diamond, ed. *Political Culture and Democracy in Developing Countries*. (Boulder: Lynne Rienner Publishers, 1994), 8.

## B. POLITICAL SOCIETY AND DEMOCRACY

The question of how transition occurs from non-democratic to democratic society has received tremendous attention in recent years as democracy enveloped Southern Europe, Latin America, Eastern Europe, and Africa. Various authors offer a wide array of theories on how and why change occurs.<sup>14</sup> Some believe that the political culture and historic culture of a country can determine the outcome of post-authoritarian rule. Others insist that leading individuals in various institutions must make some sort of pact to allow transition to occur. Most believe that varied requirements must be met in each country to help inculcate democratic ideals before a completed transition. These requirements include the actions of the elite, political culture, mass influence, and the capacity for change within political society actors and institutions.

Elites are persons who are able, by virtue of their strategic positions in powerful organizations, to affect national political outcomes regularly and substantially. They are "the principal decision makers in the largest or most resource-rich political, governmental, economic, military, professional, communications, and cultural organizations and movements in a society."<sup>15</sup> Elites make or support democratic transition because they "come to conclude that democratic change is a good thing in and of itself, or that it is necessary to achieve other ends they value (such as domestic stability and peace, or international acceptance)."<sup>16</sup> In Cuba, the elites are Fidel and Raul Castro,

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<sup>14</sup> An introductory list could include the five part Guillermo O'Donnell, Phillippe C. Schmitter, and Laurence Whitehead eds., *Transitions from Authoritarian Rule* (Baltimore: Johns Hopkins University Press, 1986); Linz and Stepan, *Problems of Democratic Transition and Consolidation*; Larry Diamond, Juan J. Linz, and Seymour Martin Lipset, eds. *Politics in Developing Countries: Comparing Experiences with Democracy* (Boulder: Lynne Rienner Publishers, 1994); and John Higley and Richard Gunther. *Elites and Democratic Consolidation in Latin America and Southern Europe* (Cambridge: Cambridge University Press, 1992).

<sup>15</sup> Higley and Gunther, *Elites and Democratic Consolidation*, 8.

<sup>16</sup> Diamond, "Causes and Effects," in *Political Culture and Democracy*, 239.

the members of the Politburo of the PCC, and the leadership of the FAR.

Political culture can be defined as “a people’s predominant beliefs, attitudes, values, ideals, sentiments, and evaluations about the political system of its country....”<sup>17</sup>

Political culture helps to shape ideals of both elites and masses and both of these groups can have an effect on democratization. Elites typically have distinctive values, norms, greater access to information and influence, and often lead the way in making change.<sup>18</sup> However, values and norms of the populace also have an effect on change: “at the mass level, democratization can be stimulated both by cultural change and by the resurgence of long submerged cultural beliefs and styles.”<sup>19</sup>

Two essential elements help to combine political culture with elites and their institutions if democratic transition is to occur; mass participation, and pragmatism. Mass participation is important because it “is another central element of the ideal-typical mass democratic culture.”<sup>20</sup> Institutional and individual pragmatism is important to democracy because “pragmatism generates flexible goals, and it is consistent with a commitment to democratic procedural norms.”<sup>21</sup>

The theory presented here supposes that powerful institutions and their leaders (elites) must make a decision to make a change in the ruling status quo. These elites are either pushed or supported by various elements within the political society. These elements include political culture, the political process, citizen participation, and institutional pragmatism. In democratic transitions, these elements combine to liberalize

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<sup>17</sup> Diamond, “Introduction: Political Culture and Democracy,” 7.

<sup>18</sup> Ibid., 8.

<sup>19</sup> Diamond, “Causes and Effects,” 240.

<sup>20</sup> Diamond, “Introduction: Political Culture and Democracy,” 13.

<sup>21</sup> Ibid., 11.

a political society and move it toward democracy.

Because the Castro brothers represent and control so much of political landscape, their departure from the scene will virtually force the remaining players into a decision-making process that will determine Cuba's future.

### **C. POLITICAL PROCESS AND PARTICIPATION**

The Cuban governmental process is anchored in socialist bureaucracy. There are three levels of government: a national level, a provincial level with 14 provinces (and one special municipality in Havana), and a municipal level existing of 169 municipalities. The system is centered on the Organs of Popular Power, which have existed at the provincial and municipal levels since 1976 and were originally intended to provide decentralization.<sup>22</sup>

Each municipality is divided into electoral districts that nominate candidates at neighborhood meetings and elect delegates from among them for a two and a half-year term. The candidates are then directly elected as delegates to the municipal assemblies. The number of assembly members for a given municipality is based on population and territory. Delegates to the municipal assemblies are subject to immediate recall by their electors at any time and are required to report to their constituencies every six months.<sup>23</sup>

Municipal elections are the starting point for Cuba's electoral system and are organized in three stages. During the first, neighborhood assemblies choose candidates for the delegate positions for each precinct, ranging from two to eight persons. During the second, biographical information about the candidate, which is prepared by

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<sup>22</sup> Sheryl L. Lutjens, "Decentralization in Cuba," in *Cuban Studies* 26, ed. Jorge I. Domínguez (Pittsburgh: University of Pittsburgh Press, 1996), 12.

<sup>23</sup> Stanley Malinowitz, "Services and the Cuban Municipal Economy," in *Cuba Studies* 27 ed. Jorge F. Pérez López (Pittsburgh: University of Pittsburgh Press, 1997), 70.



communist party functionaries, is posted in public places. In the third, secret and direct voting occurs with suffrage for all citizens over 16 years old. Turnout is very high and citizens seemingly respect the political process.<sup>24</sup> According to current rules, no organization can campaign for any candidate, nor can any candidate or their supporters organize an election campaign. The electoral commission organizes the entire process; however, the commission is organized under the PCC. There is evidence, though, that party officials do not interfere with the voting procedures.<sup>25</sup>

Changes in the electoral process occurred in 1992, with the new Cuban Constitution granting two important reforms. First, the populace began to directly elect representatives to the National Assembly of People's Power (ANPP). Before that, the Municipal Assembly members, following their election, selected provincial and national representatives.<sup>26</sup>

Second, Popular Councils (CPs) were instituted. CPs are a territorial unit within the municipal level of government in Cuba's political system. They are designed to increase efficiency in production and services in the economic, educational, and cultural sectors of their local areas. CPs do not function as an autonomous political entity and their functions are still coordinated through meetings with council presidents which high-level party officials typically attend. CPs have afforded the Cuban citizenry greater

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<sup>24</sup> For example, in 1995, 97.1 percent of the population voted and only 11.3 percent of the ballots were left blank or spoiled. See Lutjens, "Decentralization in Cuba," 18.

<sup>25</sup> Heroldo Dilla Alfonso, Gerardo Gonzalez and Ana T. Vincentelli, "Cuba's Local Governments: An Experience Beyond the Paradigms," in *Cuba Studies* 22 ed. Jorge I. Dominguez (Pittsburgh: University of Pittsburgh Press, 1992), 153.

<sup>26</sup> Nelson Amaro, "Decentralization, Local Government, and Citizen Participation in Cuba." *Cuba in Transition, Proceedings of the Annual Meetings of the Association for the Study of the Cuban Economy (ASCE) 1996*. Available [Online] <<http://www.lanic.utexas.edu/la/cb/cuba/asce/>> [31 January 1998], 269.

access to the local governmental process. By 1995 there were 1,551 CPs covering over 90 percent of the population.<sup>27</sup>

The overall electoral process with its direct elections and the citizen's ability to recall representatives appears to be a resounding example of popular, democratic process. The initiation of the CPs and direct elections for the National Assembly were important changes in Cuba's electoral process. They signified an increase in power to the average citizen and showed that Cuba's political process appears to represent the people. Clearly, mass participation, an essential element in democracy, exists in Cuba. However, candidates are still screened and accepted or denied by the communist party; political opposition not only doesn't exist, it is illegal; and the National Assembly is not well-empowered, typically acting as a rubber stamp for the Politburo. There is simply no loyal opposition to the current regime and little substantial ability for the population of Cuba to affect change, democratic or otherwise.

#### **D. THE CUBAN COMMUNIST PARTY (PCC)**

In 1959, the communist Party of Cuba operated under the name of the Popular Socialist Party (PSP) and was essentially directed by Raul Castro. It was not until 1961, two years after the successful revolution of Fidel Castro, that the process of building a ruling party actually began. Initially, members of the PSP dominated the ruling party; however, a plot to overthrow Fidel Castro was uncovered and subversives in the party were purged in 1962. After the purge, the ruling organization became known as the United Party of Cuban Socialist Revolution (PURSC). The PURSC lasted until 1965

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<sup>27</sup> See Lutjens, "Decentralization in Cuba", 19, and Amaro, "Decentralization, Local Government and Citizen Participation," 271.

when the current Cuban Communist Party (PCC) was formed.<sup>28</sup> Since then, the Castro brothers and their hand-selected deputies have commanded the PCC.

From 1965 to the mid-1980s, the PCC and its powerful decision making body, the Politburo, were essentially stable organizations. However, beginning with Cuba's Third Party Congress in 1986, the PCC and its leadership have undergone dramatic turnover and had to deal with a great deal of scandal. The PCC remains ensconced in power only because it is the instrument of Castro; it is simply his puppet.

The first significant change in personnel came in 1986 when four of the 15 members of the Politburo lost their posts. By the end of the fourth Party Congress in October 1991, six more of 14 Politburo members lost their positions, and the Politburo was increased to 26 people. In the 1997 congress, there was a turnover of seven of 26 Politburo members. No members of the Politburo were dropped from 1965-1986, but after the 1986 and 1991 congress only five of the living members from the 1965 Politburo remained.<sup>29</sup>

Also noteworthy in this turnover has been the replacement of older individuals with younger ones. For example in 1991, eleven of the 25 members of the Political Bureau were new members, and the oldest was 49 years old.<sup>30</sup> There seemed to be a concern about the youth movement in Cuba.

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<sup>28</sup> Humberto Leon, "Impact of the Economic Crisis on the Cuban Revolutionary Armed Forces (FAR)," in *The Military and Transition in Cuba: Reference Guide for Policy and Crisis Management*, International Research 2000 Inc. (Department of Defense, March 17, 1995), III-6-13.

<sup>29</sup> Jorge I. Dominguez, "Leadership Strategies and Mass Support: Cuban Politics before and after the 1991 Communist Party Congress," in *Cuba at a Crossroads: Politics and Economics after the Fourth Party Congress* ed. Jorge F. Perez Lopez, (Gainesville: University of Florida Press, 1994), 2-3. Also see "Cuba Replaces Some Officials from Castro's generation with Young Men," *Associated Press*, October 14, 1997.

<sup>30</sup> Dominguez, "Leadership Strategies and Mass Support," 6.

In addition to the shakeup of the party elite, scandal rocked the PCC throughout the late 1980s, mostly centered around the drug scandal which incriminated prominent Ministry of the Revolutionary Armed Forces (MINFAR) and Ministry of Interior (MININT) personnel (the Ochoa affair, which I will discuss later). Besides the Ochoa affair, Vice-president Diocles Torralba and Luis Orlando Dominguez, former General Secretary of the Communist Youth Union, were arrested and imprisoned for corruption. The defection of brigade general Rafael del Pino also embarrassed the party.<sup>31</sup>

Two theories have been formed to explain this abrupt change in the PCC. One, expressed by Jorge I. Dominguez, supposes that Cuba's political regime has become more personalized.

Its institutions, especially the Communist Party and the mass organizations, have lost prestige, authority, and the effectiveness. Moreover, many top political conference who founded the regime and governed for decades have been dismissed from office or lost much of their power. To a degree unparalleled since the regimes founding, Fidel Castro's personal role is paramount.<sup>32</sup>

The second, espoused by Juan M. del Aguila, supposes that the changes in the PCC were to keep it from going adrift and decaying like its cousins had in the Soviet Bloc. The party was going to look beyond corrupt party cadres and search for those who were openly or privately expressing sympathy with the reforms sweeping the communist world. Del Aguila's contention is not that everyone removed from the party was a reformer, but "the removal of key individuals preempted the consolidation of an anti-regime faction."<sup>33</sup>

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<sup>31</sup> Ibid., 2-3.

<sup>32</sup> Ibid., 1.

<sup>33</sup> Juan M. del Aguila, "The Party, the Fourth Congress, and the Process of Counterreform," in *Cuba at a Crossroads: Politics and Economics after the Fourth Party Congress* ed. Jorge F. Perez Lopez, (Gainesville: University of Florida Press, 1994), 22.

The reasons the major shift occurred at the top of the PCC are not as important as the results. Scandals and tremendous turnover have further personalized Castro, stymied dissent, and undermined the stability of the PCC as an institution.

In general, the PCC as a political body has modest institutional strength and authority. It clearly has an important role in Fidel Castro's successful revolution. It is Castro's primary means of controlling the rest of political society, and indeed the rest of the political process in Cuba. The PCC sets and implements policy and seems to have control over the military. The fact that the only internal attempts to topple Fidel have come from within the PCC, coupled with Castro's keen understanding that any challenge to him must come from within the PCC, makes it unlikely that Fidel will ever allow the PCC to be a true trusted agent. Castro knows too well where his enemies can gain power and has continually initiated change and renewal in the party and its elites to maintain domination. Despite the fact that the party has often been revitalized with younger members, this has always been from the top down. Because of this, the PCC has not been able to truly establish any sense of autonomy or develop unique leaders and will likely fall into crisis after the Castros are gone. The party does not seem to be viable platform of change.

#### **E. THE CUBAN ARMED FORCES (FAR)**

The Cuban Armed Forces have a much different history than the political process and the Communist Party in Cuba. The Cuban military has been an essential component of Cuba and Castroism since Fidel's time in the *Sierra Maestras*. The FAR helped achieve the greatest triumphs in Castro's history over Fulgenica Batista and against the United States in the Bay of Pigs fiasco. The military has been rooted as a part of the

Cuban community and sees itself as a main element trying to preserve the tenets and gains of the Cuban Revolution. As an institution, the Cuban military has made great efforts to maintain a high degree of professionalism and integrity. Jose F. Alfonso notes that "the military's commitments to preserve the integrity of the Cuban nation, the achievement of the Revolution, and the role of their institution as the people's army are all believed to be deep seeded and unambiguous."<sup>34</sup>

There are generally two roles that a military fulfills, external and internal security. The FAR; however, progressed beyond those basic missions and has enrolled into two others, an internationalist mission and an economic/civic mission.

The primary mission of the FAR is to protect Cuba's national borders and to preserve the revolution. Cuba's primary threat comes from the United States in the form of U.S. military intervention or infiltration by exiles. The FAR employs various traditional and non-traditional warfighting capabilities including the "War of All the People" doctrine. This strategy is defensive in nature and envisions an armed populace willing to fight for the defense of Cuba. The MINFAR includes ground forces, Revolutionary Navy (MGR), Air and Air Defense Force (DAAFAR), Territorial Troop Militia (MTT), and Youth Labor Army (EJT).<sup>35</sup>

The FAR continues to carry out defense exercises that include civilians, reservists, and regular troops despite economic constraints. This points to external defense as a priority of the FAR: "these exercises appear to serve the dual purpose of

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<sup>34</sup> Jose F. Alfonso, "Cuba's Armed Forces New Roles: Soldiers, Producers and Consumers," in *The Military and Transition in Cuba: Reference Guide for Policy and Crisis Management*, International Research 2000 Inc. (Department of Defense, March 17, 1995), II-1-2.

<sup>35</sup> *Cuban Armed Forces Review*. "Military doctrine," 1997-1998.

supporting cooperation and coordination between military units and the civilian population as well as reinforcing the potential for the imminence of a U.S. invasion."<sup>36</sup>

The forces of the MININT carry out internal defense. The wide-ranging tasks include surveillance, police action, counterintelligence, riot control, counternarcotics, and some would include repression and coercion. The MININT forces include State Security (DSE), Border Guards (TGF), Revolutionary National Police (PNR), the special battalion of police, and special troops. MININT has approximately 32,000 personnel.<sup>37</sup> Although the FAR has ostensible charge of the MININT, it must be emphasized that the FAR has not played a role in maintaining domestic control. In fact, a challenge to the FAR is to remain outside the realm of internal security.

Many militaries have had national defense and internal order as their chief responsibilities. However, especially compared to countries the size of Cuba, few have taken on a mission outside of its borders to the level that the FAR has. The internationalist mission began as early as 1963 when Cuban units were sent to Algeria for support in a border conflict with Morocco. In 1966, troops were dispatched to present-day Brazzaville, where Cuban support lasted for nearly 25 years. The level of the internationalist movement escalated exponentially in the 1970s when Castro ordered his forces to Ethiopia and Angola. In the 1980s, Cuban forces were involved overtly or covertly in Grenada, Suriname, El Salvador, Guatemala, Nicaragua, and Colombia.<sup>38</sup>

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<sup>36</sup> Phyllis Greene Walker, "Challenges Facing the Cuban Military." *The Georgetown University Caribbean Project's Cuba Briefing Paper Series* (Number 12, Oct 1996). Available [Online] <<http://www.georgetown.edu/sfs/programs/clas/Caribe/cbps.htm>>[31 January 1998], 9.

<sup>37</sup> *Cuban Armed Forces Review*, "Interior Ministry."

<sup>38</sup> Richard L Millett, "Cuba's Armed Forces: From Triumph to Survival." *The Georgetown University Caribbean Project's Cuba Briefing Paper Series* (Number 4, Sep 1993). Available [Online] <<http://www.georgetown.edu/sfs/programs/clas/Caribe/cbps.htm>>[28 February 1998], 5.

The extraterritorial function became very important in military circles and superb performance in these missions began to lead to advancement. The role helped establish great confidence in the military institution because of their successes against the Somalis in Ethiopia and both U.S.-supported insurgents and regular units of South Africa in Angola. While the Soviets supported the Cuban operations logistically, Cuban commanders proved tactically efficient.<sup>39</sup> The internationalist mission ended with the last troops returning from Angola in 1991, but while a part of FAR policy (1963-1991) more than 300,000 Cubans carried out military service abroad.<sup>40</sup>

The FAR's scope in the Cuban economy, which really has roots in its representation as a revolutionary civic-minded institution, has gained great import since the withdrawal of former Soviet forces, and, in particular, Soviet financial backing. All along, Fidel Castro has recognized the importance of the economic role of the military: "I believe that one of the missions of the Armed Forces at this time is to help the economy. They are helping with the Youth Labor Army [EJT]."<sup>41</sup>

While the economic mission of the FAR now involves self-sufficiency and a great deal of incorporation in the society, it actually was conceived as a moneymaking institution in the mid-1980s. In 1986, Raul Castro authorized 17 MINFAR companies to operate semi-autonomously. The MINFAR firms, which were exempt from revolutionary labor laws prohibiting firms from laying off workers, rapidly trimmed their work forces and became more productive.<sup>42</sup> In addition, in the mid-1980s, a group of

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<sup>39</sup> Ibid.

<sup>40</sup> Walker, "Challenges Facing the Cuban Military," 5.

<sup>41</sup> Foreign Broadcast Information Service (FBIS), *Latin America: Daily Report*, 20 March 1991, 8.

<sup>42</sup> Andres Oppenheimer, *Castro's Final Hour: The Secret Story Behind the Coming downfall of Communist Cuba* (New York: Touchstone, 1992), 300.



military officials was tasked to develop recommendations for increasing productivity at various enterprises managed by the FAR. The group emphasized greater managerial autonomy and worker participation in decision-making, improved quality control, and a reduced work force. In addition, job performance, as opposed to seniority, was recommended as one of the primary criteria for promotion.<sup>43</sup>

The FAR is heavily involved in the agricultural, manufacturing, and service sectors of the Cuban Economy. Their involvement in harvesting sugar cane dates back to the 1960s but they have also been working in other areas of agriculture. This stems from a requirement of self-sufficiency, whereby troops simply grow their own food to decrease the burden of the public sector on the military budget.

The primary and most successful area in which the FAR has been involved has been in the tourism industry, which has become an increasingly important source of hard currency for Cuba. The most important establishment has been that of Gaviota Tourism Group, S.A. Through this corporation, the military became a leader in joint ventures that developed tourist hotels and resorts throughout the island. Gaviota runs the transportation corporation on the island and populates it with reserve DAAFAR pilots. The FAR even has a construction company, *Union de Empresas Constructoras*, which has been involved in creating some of the joint-venture hotels and other tourist-related buildings. General Julio Casas Reguiero, the former chief of the DAAFAR and a Politburo member, runs Gaviota. By 1994, Gaviota reportedly had an annual income of some \$220 million, an amount that represented nearly 15 percent of the country's total hard currency earnings for that year.<sup>44</sup>

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<sup>43</sup> Walker, "Challenges Facing the Cuban Military," 6-7.

<sup>44</sup> Ibid., 7.

The success of the tourism industry has launched subsidiary firms. Phyllis Greene Walker notes that "Texnotec, one of the recently established companies, is dedicated to importing information technology and electronic equipment; another, Turcimex, is a messenger and cargo company. Perhaps the most unusual venture in which the FAR is now said to be participating is TRD Caribe, a fast-growing chain of department stores."<sup>45</sup>

The economic mission has been well supported in the higher levels of the military, and the FAR has been rather successful in incorporating western-style business practices and achieving profits. Again, Walker has essential data:

By the end of 1994, the FAR had managed to keep its expenditures beneath its budgeted allocation, which reportedly allowed the regime to redirect the difference to programs in health and education. A year later, the FAR's leadership reported that it "self-financed" some 30 percent of its expenses and reduced its 1996 burden on the national budget to 701 million pesos, a drop of 5 percent over the preceding year's funding level.<sup>46</sup>

#### **F. INSTITUTIONAL STRENGTH OF THE FAR**

While the PCC has been weakened as an institution in Cuba's ongoing transition, the FAR has been able to adapt and consolidate its role as the preeminent institution behind the Castros. Six factors can be pointed to that help to legitimize the power of the FAR: favoritism by Fidel and Raul Castro; the relationship with the Cuban Communist Party (PCC); the consolidation of power over the MININT following the Ochoa affair; the role as a citizen soldier; professionalism; and the ability to adapt

The first component of the FAR's strength is that the leadership of Cuba, i.e., Fidel and Raul, are partial to the FAR. Both men were key leaders of the revolutionary

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<sup>45</sup> Ibid.

<sup>46</sup> Ibid., 8.

militias and maintain representation in the military: Fidel is *El Comandante* and Raul is the Minister of Defense. A simple yet important anecdote of this favoritism is shown by Fidel continually wearing his military uniform (although when abroad, he has taken to a less militaristic, revolutionary appearance in the last few years, and Castro even wore a suit when he received the Pope). This represents the fondness Fidel still has for the military and his identification with it. Because of this eminent backing, the FAR has great institutional legitimacy.

The second component of the FAR's strength is the role it has vis-à-vis the PCC. There are two main elements that distinguish this role. The first is that the military predates the part. Michael Radu correctly asserts that the "FAR first assumed power as a nationalist force. Only later was there a Cuban Communist Party sufficiently loyal to Fidel to pretend to control the military."<sup>47</sup> This helped to create great organizational autonomy for the FAR. The second is the military's representation in the party. The FAR maintains significant representation in the PCC's power entity, the Politburo. This body consists of 24 members, five of which are military men.<sup>48</sup> Essentially, the FAR is still seen as one of the more pro-mass institutions in Cuba, as opposed to the PCC, to which less than three percent of the Cuban population belongs.<sup>49</sup>

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<sup>47</sup> Michael Radu, "Cuba's Transition: Institutional Lessons from Eastern Europe," *Journal of Interamerican Studies and World Affairs* (Summer 1995): 97.

<sup>48</sup> "Communist Congress Offers Few Concessions," *El Nuevo Herald*, 13 October 1997. Del Aguila, "The Party, the Fourth Congress, and the Process of Counterreform," 31-32. At the October 97 party congress, the Politburo was reduced from 26 to 25 members. The Military men are: Eastern Army General Ramon Espinosa Martin (added in the Oct '97 party congress); Armed Forces Vice Minister, Division General Julio Casas Reguiero; Interior Minister Division, General Abelardo Colome Ibarra; Former FAR Chief of Staff and current Minister of Sugar, Division General Ulises Rosales del Toro; and Western Army Division General Leopoldo Cintra Frias.

<sup>49</sup> Paul G. Buchanan, "The Mission and Objectives of the Cuban Revolutionary Armed Forces in the Transitional Period," in *The Military and Transition in Cuba: Reference Guide for Policy and Crisis Management*, International Research 2000 Inc. (Department of Defense, March 17, 1995), III-3-1.

The third ingredient of the FAR's institutional power stems from the Ochoa-De La Guardia Affair.<sup>50</sup> In 1989, a full-on power struggle was underway between the MINFAR, championed by Raul Castro and the MININT, headed by Division General Jose Abrantes. During Cuba's internationalist phase, the MININT achieved great power and wealth. They were exposed to many Western ideas and given great license to create moneymaking enterprises which included narcotics trafficking. The MININT, under General Abrantes, even began to discuss reform. This battle culminated in the Ochoa-De la Guardia Affair. Division General Arnaldo Ochoa was a charismatic hero of the revolution and combat veteran. Colonel Tony De La Guardia was an essential member of the MININT and a Castro protégé. Following what some call a staged trial, both were executed for drug trafficking. The MININT was purged and placed under the guidance of the MINFAR. In essence, the MININT lost its freedom of movement, and MINFAR, in particular Raul Castro, consolidated power over all internal and external security matters.<sup>51</sup>

The fourth ingredient of the FAR's power is their role as the people's army. Part of this stems from compulsory military service which consists of two years in the army or three years in the navy. Individuals can join the Youth Labor Army and serve their obligation in the agricultural industry and recruits can now complete their service in the various military-run industries.<sup>52</sup> The other part of the tie with the population stems from the FAR's position as a "civic soldier."<sup>53</sup>

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<sup>50</sup> For superb account of the Ochoa-De La Guardia affair, see Andres Oppenheimer, *Castro's Final Hour*, 1-129.

<sup>51</sup> Ibid., 61-62. According to Oppenheimer, the 24 March 1989 speech that General Abrantes gave to the Union of Cuban Writers and Artists (UNEAC) infuriated Raul Castro.

<sup>52</sup> Alfonso, "Cuba's Armed Forces New Roles," III-1-4.

<sup>53</sup> This term was coined by in Jorge I. Domínguez, *Cuba: Order and Revolution* (Cambridge: Massachusetts: Harvard University Press, 1978), 341-378.

The civic soldier has been a key political role in Cuba for a long time.... Civic soldiers head both military and civilian agencies in Cuba and just as military agencies had civilian tasks, civilian agencies had military tasks and have used military forms of organization. The Civic soldier role includes not only former soldiers heading government organizations but also soldiers on active duty engaged in political, economic, or other non-military activities.<sup>54</sup>

In essence, civic action has been part of the military since the revolution began. The Cuban populace recognizes that the FAR has been hit equally as hard as they have during the special period. This mutual suffering and visible civic action in helping to bring Cuba to stability adds greater potency to the military institution.

The fifth element of the FAR's institutional strength is their professionalism. They maintain a well-educated and trained group of officers and troops which leads to a strong sense of responsibility and corporateness. There is a nationwide system of military training schools for nearly every level of individual in the service. Their victories in Angola and Ethiopia provided increased confidence and were a testament to their competence and professionalism. In its entirety, there is undisputed evidence of the professionalization of the Cuban Armed Forces:

The professionalization of the armed forces and the stability of its doctrine and force structure are evidence of a high degree of military institutionalization. The long terms of service characteristic of the best officers, the integrated military-school system, and the autonomy of military organizations from civilian organizations for military recruitment of all since added to their stability and ideological coherence and have promoted officer of loyalty to the armed forces.<sup>55</sup>

The sixth element of the FAR's strength, which uniquely emphasizes it as a traditional powerhouse, has been its ability to adapt. It has evolved from a militia style organization and professionalized; accepted reorganization while maintaining its role as civic soldiers; seen its numbers and missions grow dramatically; and watched those

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<sup>54</sup> Ibid., 342.

<sup>55</sup> Dominguez, *Cuba*, 352

numbers and missions contract just as astonishingly. The FAR has continued to show tremendous flexibility in the face of today's changing roles. Phyllis Greene Walker aptly points out that "...the FAR has successfully adapted to the new environment and met the new challenges that have arisen. Dramatically cutting its personnel and spending levels, it has carried out perhaps the most difficult tasks for any military institution."<sup>56</sup>

It is clear that the FAR has consolidated their position as a powerful institution. Their position in political society is second only to the Castro brothers, and, as will be shown in the following section, the FAR is a unique institution.

#### **G. A UNIQUE COMMUNIST AND LATIN MILITARY**

The FAR's history and institutional strength sets them apart from their counterparts scattered throughout the former Communist Bloc or in parts of Central and South America: it is not controlled by the party nor does it maintain the responsibility for repressing Cubans. While the FAR is an influential determinant in maintaining security in the regime, it religiously maintains an outward appearance of leaving the dirty work to the MININT forces. Although many officers in the FAR are members of the Communist Party, the party has not been able to indoctrinate those officers as genuine party members. Even the origins of the FAR differ from their Latin brethren: "...the Cuban military differs from its counterparts in the rest of Latin America in many respects. It does not have its roots in the traditions of the Spanish conquest and therefore lacks the common Latin American tradition of sharp social cleavages between military and civilians or between officers and enlisted men."<sup>57</sup>

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<sup>56</sup> Phyllis Greene Walker, "Challenges Facing the Cuban Military," from The Georgetown University Caribbean Project's Cuba Briefing Paper Series (Number 12, Oct 1996), 4.

<sup>57</sup> Richard L Millett, "Cuba's Armed Forces: From Triumph to Survival," from The Georgetown University Caribbean Project's Cuba Briefing Paper Series (Number 4, Sep 1993), 2.

In contrast to Eastern Europe and the Soviet Union, the party in Cuba has never achieved the influence or subjugation of the military. One may counter that Fidel and Raul are an embodiment of the party and certainly maintain domination of the military. However, authority exists because of their military background, not their political background. Further, the communist party in the Soviet Bloc thoroughly indoctrinated the military as a means to maintain control and loyalty. In the FAR, politicization did not have the success it had in the communist countries of Europe. Control and loyalty exist to the Castro brothers because they demand it through their past actions (witness Ochoa and the case of Major Huber Matos) not because of their party connections.<sup>58</sup>

Political indoctrination of the FAR began in 1962. Civilian instructors were trained at the Osvaldo Sanchez School and then assigned to military units. The military commanders essentially rejected these instructors because they were not soldiers. The solution was to send officers to the Sanchez School and return them to their respective military units to indoctrinate the troops. However, unit commanders left political matters to the political instructors.<sup>59</sup> This showed to the soldiers that the political mission was not nearly as relevant as the military mission. Also in contrast to the Soviets, "a dual command system was not implemented; rather the military commanders themselves, not the party's functionaries in the FAR, would have the final word."<sup>60</sup>

Differences between the FAR and Latin militaries are represented in the fact that the FAR has not been involved in the level of repression or dirty wars that were dominant

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<sup>58</sup> Matos criticized the direction of the revolution openly, in terms of ideology as well as Castro's leadership style, and wrote an open letter to Fidel in 1959 resigning his commission. He was sentenced to 20 years in prison. For more details see Walker "Political-Military Relations Since 1959," 117; and Hugh Thomas, *The Cuban Revolution* (London: Weidenfeld and Nicolson, 1986), 477-478.

<sup>59</sup> Dominguez, *Cuba*, 367.

<sup>60</sup> Walker "Political-Military Relations Since 1959," 120.

in either the Southern Cone or the equally repressive civil wars of Central America. In addition, the FAR has never attempted a coup against the existing government.

Credit for keeping the military out of oppressive action against citizens should go to the military commanders and to some extent Fidel. This is not to say that the Castro government has not abused its citizenry; it has. However, the tools that have been used have been MININT forces, special police, and the Rapid Response Brigades, which are essentially goon squads, not the FAR. And while the MINFAR controls the MININT, the Cuban military forces have remained on the sideline when unrest has occurred:

In contrast to the perception of the personnel assigned to the MININT, the military's troops are seen as being of the people. This popular myth of the Cuban military appears to be much closer to reality than fiction when compared to many Latin American countries, where a social chasm often separates the military from the general population.<sup>61</sup>

Additionally, the MININT lost a generation of officers following the 1989 purge and has not been nearly as effective at maintaining a ubiquitous presence in the lives of average Cubans. Former Cuban General Rafael del Pino, who defected in 1987, states it best, "the Armed forces have not played any repressive role, up to now, against the population, and I don't believe they would. That has always corresponded to the Interior Ministry."<sup>62</sup>

In sum, the FAR has become a predominant force in Cuban political society. The FAR is an established favorite of the elite, is intertwined in the party without yielding its professionalism, controls the internal security apparatus, and is a flexible organization that has become an essential economic factor in the country. Yet, the FAR has remained a military of the people. The FAR is a unique military and potential facilitator in change.

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<sup>61</sup> Walker, "Challenges Facing the Cuban Military," 4.

<sup>62</sup> Quoted in Pablo Alfonso, "Proposal Opens the Way for the Cuban Military," *El Nuevo Herald*, 6 February 1997.



## H. AN AVENUE FOR CHANGE?

The introduction to the thesis highlighted the fact that liberalization has been a precursor to democratic transition. Has there been evidence of liberalization in Cuban political society? Are these changes significant enough to force liberalization? A review of the changes that have been under way in political society and their support or impediment to a liberalization should provide a response which is summarized in Table 2.1.

**Table 2.1 Potential for Democratic Transition in a Post Castro Cuba: Political Society.**

<b>Political Factor</b>	<b>Support for Political Liberalization</b>	<b>Impediments to Political Liberalization</b>	<b>Potential for Democratic Transition (High, Moderate, Low)*</b>
<b>Masses</b>	Mass participation in electoral process, some democratic norms, introduction of the CPs	No organized parties, little culture of loyal opposition, PCC domination	Low to Moderate
<b>Communist Party</b>	Established party system, reformers may exist in the party	Castro legacy, continuous turnover, personalization, lack of institutionalization	Low
<b>Armed Forces</b>	Institutionalized part of stateness; acceptance of civilian control, professionalism, cohesiveness, adaptability, army of the people	Representation in ruling elite; strong role in economics, decreasing budget yields decreasing professionalism	Moderate

\* High = aspects display institutionalized democratic ideals and a post-Castro relationship will likely improve the trend toward political liberalization

Moderate = aspects may or may not display institutionalized democratic ideals and/or a post-Castro relationship could significantly affect the factor.

Low = aspects do not display institutionalized democratic ideals

### 1. Masses

Mass participation in the political process is a fact in Cuba. There is clear evidence that Cubans have tremendous access to the right to vote and exercise that right in large numbers and with respect for the political process. There is an established

culture of some form of the democratic process within the Cuban populace. The establishment of the Popular Councils has bolstered the people's ability to choose their representatives at the national level.

Despite these positive influences on liberalization and democracy, the Cuban political process eliminates electoral competition. Individuals vying for political positions have no access to media and have no ability to campaign nor do their supporters. The Cuban Communist Party controls candidates completely, even writing the single document that is available to voters.

## **2. The Cuban Communist Party (PCC)**

The PCC has shown very little evidence of allowing liberalization in its ranks and it is difficult to know what level of reformers exist in the party because those that do espouse reform are typically purged. The legacy the Castro brothers will leave on the PCC after their departure will continuously hamper the PCC's ability to accept anything less than socialism. The continuous turnover, low representation of the populace, and personalization of the party by Castro has limited the PCC's ability to establish itself as an institution capable of creating any real liberalization. Diamond, Linz, and Lipset argue correctly that "political institutionalization in general and the party system in particular are strongly related to the persistence and stability of democracy."<sup>63</sup> The lack of strong institutionalization of the PCC will likely be a detriment to democratic transition.

## **3. The Cuban Armed Forces**

As noted in the introduction to this thesis, a sovereign state is a prerequisite to

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<sup>63</sup> Diamond, Linz, and Lipset, "Introduction: What Makes Democracies Endure," 33.

democracy; there can be no democratic transition without a nation. Because of its institutional staying power, professionalism, and identification with the people and the nation, the FAR sustains the idea of stateness.

Another essential element of any liberal transition and strong democracy is the establishment of civilian control over the military. The Cuban military has accepted its subordination to the Castro brothers and the PCC. Fidel Castro is the Commander-in-Chief and Raul Castro is the defense minister. The FAR has accepted every mission and task the governmental decision-makers have asked of it.

Further evidence of some level of subordination can be viewed in the dramatic decrease in the budget and personnel strength within the FAR as shown in Table 2.2.

**Table 2.2 Military Expenditures, Military Expenditures (ME) as percent of Gross National Product (GNP), and personnel of the Cuban Military 1985-1995, odd years.\***

Year	ME in constant 1995 dollars (in millions of dollars)	ME as percent of GNP	Cuban Military Force Strength
1985	1,830	4.5	297,000
1987	1,690	3.9	297,000
1989	1,650	3.9	297,000
1991	1,282	4.3	297,000
1993	629 (E) <sup>†</sup>	2.8	175,000
1995	350 (E)	1.6	70,000

Source: U.S. Arms Control and Disarmament Agency (US-ACDA) *World Military Expenditures and Arms Transfers (WMEAT) 1985-1995*.

\* Cuban tables are believed to omit a share of total military expenditures

<sup>†</sup> E = estimate

In just ten years, there has been over a five-fold contraction in military expenditures, military expenditures as percent of Cuba's Gross National Product have decreased nearly three-fold, and there has been a four-fold reduction in military personnel. These dramatic reductions are the sorts of things that lead to coups or at least extreme discontent, yet this has not happened in Cuba. While there is some evidence of

disgruntled military members, the military leadership continues to maintain a professional force, and accepts the economic missions the Cuban leadership has asked them to do.

Adaptability is an important potential tool for liberalization in the military. Linz and Stepan note:

The officer corps, taken as a whole, sees itself as a permanent part of the state apparatus, with enduring and interests and permanent functions that transcend the interests of the government of the day. This means that there is always the possibility that the hierarchical leaders of the military as institution will come to the decision that the costs of direct involvement in non democratic rules are greater than the costs of extrication.<sup>64</sup>

Indications of the FAR's ability to adapt have been shown throughout this chapter. Their changing roles and missions throughout their history certainly point to organizational fluidity.

On the downside, political involvement by the military creates a powerful obstacle to civilian control and democratic transition. In contrast to the FAR's reduced representation in the party,<sup>65</sup> their membership in the Politburo remains at five of 24 representatives. While the military has been reduced in importance in the official party organization, it remains very involved in all phases of the party's decision-making apparatus and has become increasingly important in moneymaking enterprises in Cuba.<sup>66</sup>

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<sup>64</sup> Juan J. Linz and Alfred Stepan, *Problems of Democratic Transition and Consolidation: Southern Europe, South America and Post-Communist Europe* ( Baltimore: The Johns Hopkins University Press, 1996), 67.

<sup>65</sup> After the 1991 congress, military representation on the Central Committee dropped to a low of 12, representing just five percent. This compares to 30 percent in 1975 and 57 percent in 1965. See Walker, "Political-Military Relations since 1959," 127.

<sup>66</sup> In addition to the prominent role the military plays in the tourism sector, in October 1997, former Armed Forces Chief of Staff, Division General Ulises Rosales del Toro was named to replace Nelson Torres as the head of the Sugar Ministry. Torres had held the position for four years and harvests were not very successful. The appointment of the Cuban General was seen by many as an effort to bring more discipline into the Sugar Sector. Additionally, it was Rosales' leadership that helped to create self-sufficiency within the armed forces. See Frances Kerry, "Cuban 97/98 Sugar Harvest to Start Nov. 25," *Reuters Havana*, 11 November 1997.

The military's status as the strongest institution in a post-Castro Cuba could be a barrier for further democratic reforms and market adjustments. However, in some instances "...institutional integrity is eroded by politicization. Eventually, the armed forces lose their identity in the state and are perceived as just another government agency."<sup>67</sup> The FAR would have to be willing to give up some of its bureaucratic might and make deals with the civilian elites in Cuba sans Castro.

The FAR has lost considerable funding and had to devote considerable time and manpower to economic endeavors. The loss of funding hampers their ability to acquire modern equipment and to employ modern military techniques, thus detracting from training and professionalism. Dedicating increasing resources to moneymaking and agricultural enterprises lessens training opportunities which diminishes the FAR's warfighting capabilities and must reduce morale.

To sum up, in a post-Castro Cuba the FAR, at best, is likely to show moderate capacity to allow for democratic transition. At worst, the FAR will be an obstacle to democracy.

## **I. CONCLUSION**

Overall, Cuban political society has not demonstrated noteworthy liberalization since the onset of the Cuban transition. It remains in the steadfast control of the Castro brothers and their followers. The proponents of inertia are in charge.

Although the Cuban electoral system and dynamics shows signs of democratic culture, it is not a sufficient motivator of change. While the populace has increased its

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<sup>67</sup> Enrique Obando, "Civil-Military Relations in Latin America: Lessons Learned," *Rapporteurs' Report* of presentations at the May 4-6 1995 conference sponsored by The Democracy Projects at American University's School of International Service, Washington, D.C.

ability to affect the governmental process, it has not been able to increase any genuine liberalization.

The Cuban Communist party is difficult to analyze because it is limited in its overall capability to make changes because of the Castro brothers. Further, it is not in the best interests of the PCC to sow the seeds of change. If members of the party are identified as reform-minded, it is likely that they will be purged from the party. Also, it is a very difficult proposition to eradicate oneself from a position of power and authority. It is not likely that the PCC will be a leader in Cuba's post-Castro transition.

The Cuban Armed Forces are the strongest institution in Cuba behind the Castros. The FAR has tremendous clout as a political, professional, and economic organization. The FAR has served many different missions in their history and intermixed well within the realm of Cuban politics and society. As such the FAR is the pivotal organization in contributing to any kind of change in Cuba. It is the best and most capable group to hold Cuba together in the transitional period. While it may not be involved in much more than creating a situation whereby it can maintain power and status, there are elements in the institution that have led recent reforms and, as an organization of professional military men, recognize the importance of Cuba's tenuous position after Castro. It will take extraordinary acts and time to allow the seeds of change to forge democracy in Cuba but the Cuban military could be a vital participant in that transition.

### III. ECONOMIC SOCIETY

#### A. INTRODUCTION

Linz and Stepan regard economic society as the arena "which mediates between state and market."<sup>68</sup> In total, it is an arena that is not only made up of a country's economy but also how the individuals and institutions in that economy support or pressure other societal forces. Linz and Stepan also argue that "modern consolidated democracies require a set of socio-politically crafted and accepted norms, institutions, and regulations," which make up economic society. Although the authors are specifically writing about consolidated democracy, the norms which they discuss are also important in creating liberalization that can lead to democratic transition and consolidation.

In the case of Cuba, there have been considerable changes to the economy since the fall of the Soviet Union. How have these changes affected Cuba's economic society and in turn how has that economic society affected political and civil society? Does Cuba's economic reconstruction portend democracy or is it simply Castro's way of placating economic and civil society while maintaining authority over political society? This chapter will explore the reorganization the Cuban economy has undergone recently and determine if these alterations have helped pave the way for a transition to a market economy after Castro is gone.

The framework used here investigates Cuban fiscal reforms, privatization, trade liberalization and foreign investment, and credit markets.<sup>69</sup> It is essential to note that

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<sup>68</sup> Linz and Stepan, *Problems of Democratic Transition and Consolidation*, 11.

<sup>69</sup> This framework is a combination of John Williamson, ed. *The Political Economy of Policy Reform* (Washington D.C.: Institute for International Economics, 1994), 26-28; and Javier Martinez and Alvaro Diaz, *Chile the Great Transformation*. (Geneva: The United Nations Research Institute for Social Development, 1996), 45-65. Williamson discusses the "Washington Consensus" as a guide for required market reforms. Martinez and Diaz use "phases of neoliberal economic policy" to discuss changes Chile made to its economy from 1973-1990 which proved to successfully bring about market change.

Cuba remains closed with regard to much of its economic data and a variety of sources have been used to obtain that information, including Cuban government sources, which may be less than factual.

## **B. MARKET AND DEMOCRACY**

There is great debate concerning the market and its relationship to democratic reforms.<sup>70</sup> Some pundits argue that the market leads to democracy and others argue that democracy is required in order to establish the market. Several experts believe that authoritarian rule must institute economic reforms prior to the establishment of democracy citing Chile, Singapore, and South Korea as examples. Another discussion centers on economic reforms coming from a democratically elected government as happened in Argentina, Bolivia, Spain and Portugal. Still, others contemplate the importance of a dual track approach to entice democracy and the market coincidentally, as seen in the former Soviet Union and Communist Bloc. Scholars also point to China and Vietnam to show that the market forces do not necessarily forge democracy.

Regardless of the origins of the market, most authors would agree that free economic markets are a necessary, though not sufficient, condition for democracy. Free markets help to inculcate ideals of freedom, equity, and opportunity – ideals that are inherent in a democracy. Market forces tend to create individual wealth. As individuals enjoy increased affluence, they are disposed to consolidate their gains in groups that engender increased demands and influence which counter state control. Increased freedom of movement and communication created by market forces have a definitive

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<sup>70</sup> An excellent discussion of this debate is available in "Economic Reform and Democracy," a special edition of the *Journal of Democracy* (October 1994); and Adam Przeworski, *Democracy and the Market: Political and Economic Reforms in Eastern Europe and Latin America* (Cambridge: Cambridge University Press, 1991).



effect on civil society and help to lay the ground work for institutions that lead to and maintain democracy. Joan Nelson aptly states:

The essence of market oriented economic reforms, of course, is the sharp reduction of direct state control and intervention in the allocation of credit, direct and indirect subsidies, wage determination, and trade restrictions.... In this broad sense, market-oriented reforms are fundamental to the emergence of more autonomous interest groups, political parties, and mediate a much stronger legislative role in public policy.<sup>71</sup>

Though a market economy does not guarantee democracy, it does “enhance democratic values and beliefs, enhance capacities for independent organization of civil society, and create a less corrupt, interventionist rent-seeking state.”<sup>72</sup> It is precisely when market forces gain prestige and influence that they gain the ability to garner support from civil society, because the members of economic society are typically part of civil society. After building an influential realm, economic society, backed by civil society, can strengthen its new market-oriented gains and induce change from political society.

### C. THE CUBAN ECONOMY

Since the fall of the Soviet Union, Cuba’s principal patron, the island’s economy has been in a state of crisis. Cuba’s Gross Domestic Product contracted as much as 50 percent from 1989 to 1993<sup>73</sup> and an estimated \$4-8 billion in subsidies from the former Soviet Union disappeared. More than 85 percent of Cuba’s trade was with countries of the Council for Mutual Economic Assistance (CMEA) and it too vanished. This trade reduction contributed to the Cuban economic crisis because trade

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<sup>71</sup> Joan M Nelson, “Linkages Between Politics and Economics,” *Journal of Democracy* (October 1994), 60.

<sup>72</sup> Diamond, Linz, and Lipset, “Introduction: What Makes for Democracy?” 24.

<sup>73</sup> Jorge F. Perez-Lopez, “The Cuban Economy in the Age of Hemispheric Integration,” *Journal of Interamerican Studies and World Affairs* (Fall 1997), 4.

had accounted for nearly half of the national product. From 1989-1993, trade decreased by 70 percent.<sup>74</sup>

In order to mitigate the impoverishing circumstances prevailing on the island, the Castro government embarked on a series of changes that have been viewed as market oriented. These reforms included the introduction of farmers' and artisans' markets, farming cooperatives, foreign investment, legalization of the dollar and other foreign currency, budgetary constraint, self-employment, implementation of a tax system, free trade zones, and an effort to reduce Cuba's cumbersome debt. Many of these changes were due in part to the pressures that economic society placed on Castro and his government. Castro had to make changes to appease these forces.

While it is probable that Castro has only allowed these changes to occur in order to relieve political pressure, the pressure from economic society is undeniable and remains evident in Cuba today. Indeed, Castro continues to rail against profiteers and the market economy at large. He has allowed reforms in the past only to have them "rectified."<sup>75</sup> In the last two years, there have been continuous signals from the Castro government that the reform process is not to his liking and that wealth is bad: "the reform measures that have been taken to date are timid, and their implementation half-hearted, in comparison with those adopted by former socialist countries. The objective of

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<sup>74</sup> Susan Eckstein, "The limits of Socialism in a Capitalist World Economy: Cuba Since the Collapse of the Soviet Bloc" in Miguel Angel Centeno and Mauricio Font, eds. *Toward a New Cuba?* (Boulder: Lynne Reinner Publishers, 1997) 136.

<sup>75</sup> From 1971-1986 there was an opening in Cuba's Economic system which included foreign investment and farmers' markets. In 1986, this economic opening was abruptly shut down. For further discussion see Juan Carlos Espinosa, "Markets Redux: The Politics of Farmers' Markets in Cuba." *Cuba in Transition, Proceedings of the Annual Meetings of the Association for the Study of the Cuban Economy (ASCE) 1995*. Available [Online] <<http://www.lanic.utexas.edu/la/cb/cuba/asce/>> [31 January 1998]. 51-73. Also see Carmelo Mesa-Lago, "The Economic Effects on Cuba of the Downfall of Socialism in the USSR and Eastern Europe," in Carmelo Mesa-Lago, ed. *Cuba After the Cold War* (Pittsburgh: University of Pittsburgh Press, 1993), 133-138.

the measures seems to be more that of preserving the role of the Cuban government to that of improving the economic well-being of the Cuban population.”<sup>76</sup> Regardless of Castro’s opinions concerning wealth and the market, it would be nearly impossible for him to completely reverse his direction in favor of closing the market reforms. He needs money to keep Cuba out of a terrible crisis, and the market is his best option. In turn these reforms and the nature of the market may play a decisive role in establishing a post-Castro democracy.

#### **D. CUBAN ECONOMIC REFORMS**

##### **1. Fiscal Policy**

Essentially, the Cubans have been attempting to follow a very tight monetary and fiscal policy in an IMF-like fashion while maintaining central control of the economy. The plan to reduce Cuban economic inefficiencies was adopted in early March 1994 by the National Assembly of People’s Power (ANPP). Its goal was to reduce subsidies that covered losses to enterprises, stimulate personal savings, increase revenue collection (mostly through price increases), and develop a comprehensive tax system.<sup>77</sup> Since then, the Cubans have also attacked liquidity and fiscal problems by reigning in the budget, legalizing the dollar, attempting stabilization techniques to maintain the peso’s value vis-à-vis other international currency, and creating a national bank. A number of research centers have been created, including some traditionally linked to the Central Committee of the Communist Party such as the Center for the Study of the Americas (CEA), that developed plans for heightened economic liberalization.<sup>78</sup> Castro has even been looking

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<sup>76</sup> Perez-Lopez, “The Cuban Economy in the Age of Hemispheric Integration,” 3.

<sup>77</sup> Ibid., 17.

<sup>78</sup> Mauricio Font. “Friendly Prodding and Other Sources of Change in Cuba.” *The Cuba Project of Queens College*. Available [Online] <<http://www.soc.qc.edu/procuba/sourch.html>> [28 February 1998].

to foreigners for advice, such as Carlos Solchaga, a former finance minister for Spain, who has provided counsel to the government of Cuba since 1993. Solchaga has been pushing for further cuts in loss-making state-enterprises, the creation of small and medium sized businesses, and expanded opportunities in the self-employment sector – sometimes Castro heeds his advice, other times he does not.<sup>79</sup>

a. *Budget Austerity*

Cuba continues to follow tight monetary policy because the approach has been successful. Unprofitable ministries have been eliminated and others have been reduced. For example, in 1997, just 10 enterprises of heavy industry in Cuba were offered state aid, a tremendous decrease from 1991, when virtually all industry was provided governmental financial support.<sup>80</sup> A social security contribution of up to 12 percent of wages was introduced in early 1995 to pay for the country's financially onerous pensions. There has been a substantial increase in prices of some goods and services such as tobacco, liquor, electricity, transportation, gas, and mail services to increase revenues as well.<sup>81</sup> Some other examples of expenditure reduction: electricity rates began to be paid based on usage; charges for museum and sports events were instituted; all meals at work centers had to be paid for; student stipends were terminated and students were charged for their uniforms. Students needing financial assistance were

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<sup>79</sup> "A Crash Course in Economics," *The Economist*, 6 April 1996, S5.

<sup>80</sup> Economist Intelligence Unit. *Reassessing Cuba: Emerging Opportunities and Operating Challenges* (New York: The Economist Intelligence Unit, 1997), 64.

<sup>81</sup> Ana Julia Jatar-Hausmann, *Through the Cracks of Socialism: the Emerging Private Sector in Cuba.* ASCE 1996. Available [Online] <<http://www.lanl.utexas.edu/la/cb/cuba/asce/>> [28 February 1998].

to rely on loans, to be repaid, interestingly, not on needs but on a meritorious basis, the higher a student's grades the lower the loan repayment rate.<sup>82</sup>

The results of the spending policy have been impressive. The deficit was reduced from about 5.1 billion pesos in 1993 to an estimated 1.4 billion pesos in 1994.<sup>83</sup> In 1995, the budget deficit had been forecast at one billion pesos, but was actually reported as 755 million pesos.<sup>84</sup> Cuban officials reported that the 1997 budget deficit would be 468 million pesos.<sup>85</sup> In a three year span, the budget deficit dropped from nearly 40 percent of Gross Domestic Product (GDP) in 1993 to 3.2 percent in 1997.<sup>86</sup>

Despite the positive trends in the economy, the 1998 budget includes nearly 2.5 billion pesos for subsidies to government-operated companies, 418 of which were reported to be unprofitable, and anticipates a deficit of 710 million pesos, a 60 percent increase from 1997.<sup>87</sup> Almost 50 percent of the budget is focused on education, health care, and social security. The remaining portion of the budget goes to various social services, housing, culture, science and the military, although the military continues to finance an increasing portion of their budget from the revenues of commercial operations.<sup>88</sup>

b. *Taxation*

To improve its fiscal base, Cuba announced a major tax reform and created the National Tax Office (NTO) in 1994, a radical development in Castro's Cuba.

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<sup>82</sup> Eckstein, "The Limits of Socialism in a Capitalist World Economy," 143.

<sup>83</sup> Archibald R. M. Ritter, "The Cuban Economy in the Mid-1990s: Structural/Monetary Pathology and Public Policy" in *Toward a New Cuba?*, 165.

<sup>84</sup> Perez-Lopez, "The Cuban Economy in the Age of Hemispheric Integration," 23.

<sup>85</sup> U.S.-Cuba Trade and Economic Council, Inc. "Weekly Updates." Available [Online] <<http://www.cubatrade.org/market.html#relations>>[31 January 1998], 12 January 1998 to 18 January 1998.

<sup>86</sup> Economist Intelligence Unit. *Reassessing Cuba: Emerging Opportunities and Operating Challenges* (New York: The Economist Intelligence Unit, 1997), 7.

<sup>87</sup> U.S.-Cuba Trade and Economic Council, Inc. "Weekly Updates," 12-18 January 1998.

<sup>88</sup> Ibid.

Castro's government instituted a comprehensive income tax law which required that government-operated companies gradually shift from being a part of the national budget to being quasi-independent entities that functioned on the basis of profit and loss, payroll, bank credits, and taxes. Cuba has been serious about these taxes: an estimated 85 percent of the self-employed file tax returns voluntarily; auditors have uncovered more than 300 million pesos in taxes due from government-operated companies; and audits of more than 100,000 of the self-employed income tax returns generated 12 million pesos in taxes in 1997. The taxation program has also shown success for Cuba, the NTO reported that January 1997 through July 1997 taxes produced revenues of 7.37 billion pesos, 270 million pesos more than planned.<sup>89</sup>

Because taxes have been focused on joint ventures and private moneymaking enterprises, the policy has a way of curtailing growth and entrepreneurial spirit. Essentially, Castro has used tariffs for revenues and as a way of "preventing the types of economic activities [he] does not want, namely successful ones."<sup>90</sup>

*c. Monetary Policy*

The decriminalization of holding and using the dollar, as well as other foreign currency, was another policy aimed at bolstering the Cuban economy. The central government used this currency reform to help reduce the number of pesos in circulation which fell from 11 billion pesos at the end of 1993 to 9.9 billion pesos at the end of 1994 as a result of a higher savings on one hand and price increases on the other.<sup>91</sup> Pesos in circulation decreased from 9.534 billion in 1996 to between 9.334 billion pesos

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<sup>89</sup> U.S.-Cuba Trade and Economic Council, Inc. "Weekly Updates," 11-17 August 1997.

<sup>90</sup> Luis Locay, "Institutional Requirements for Successful Market Reforms," ASCE 1995, 7.

<sup>91</sup> Ritter, "The Cuban Economy in the Mid-1990s," 162.

and 9.384 billion pesos in 1997 according to Cuban sources.<sup>92</sup> This policy appears to have been effective concerning the exchange rate with the dollar. In 1996, the dollar exchanged for an average of 19.2 pesos, in 1997 for an average of 22.8 pesos,<sup>93</sup> and as of February 1998, the peso was trading at 21 to the dollar.<sup>94</sup> This shows a dramatic drop from the rate of 120 pesos per dollar in the summer of 1994.<sup>95</sup>

Unfortunately for Cuba, it seems as if the reduction of pesos has stagnated. In essence, the Cuban program has been to centrally ration dollars and other foreign currency in an effort to stave off devaluation. The Cuban system has not generated the incentives to save which is why they are unable to further reduce the peso circulation.

*d. Price Control*

Essentially, there are two levels of price control in Cuba, those which are state regulated and those which are set by competitive market pricing. This market valuation exists in both the public (farmers' and artisans' markets) and the secondary economy or black market: "for the self-employed and for exchanges in the agricultural and industrial markets, prices are determined by the forces of supply and demand within what often must be highly competitive markets with considerable ease of entry."<sup>96</sup> However, the state maintains fixed prices on nearly all consumer goods which it continues to ration, albeit in decreased quantities since 1989.

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<sup>92</sup> U.S.-Cuba Trade and Economic Council, Inc., "Weekly Reports," 12-18 January 1998

<sup>93</sup> Ibid.

<sup>94</sup> *Prensa Latina*, 23 February 1998.

<sup>95</sup> Ritter, "The Cuban Economy in the Mid-1990s," 162.

<sup>96</sup> Ibid., 154.

*e. Banking Reform*

In May 1997, Cuba established a Central Bank and relegated the National Bank of Cuba to commercial activity. The government run press reported that “this was necessary to effectively contribute to the economic and financial transformations underway in the country.”<sup>97</sup> The Central Bank is designed to be an autonomous body whose purpose is to “protect the purchasing power of the national currency, support the balanced development of the economy, and insure the normal functioning of internal and external payment systems.”<sup>98</sup> The Central Bank is also designed to control the printing of currency, regulate the money supply and credit, establish interest rates, supervise all financial institutions, establish internal exchange rates, position the eventual convertibility of the peso, represent the government of the Republic of Cuba before all international financial institutions, and negotiate foreign debt.<sup>99</sup> The Cuban banking institution, however, has no policy of lending money to private citizens. It is designed as a mechanism to facilitate international transactions and has no means to stimulate private growth.

In summation, Cuban macroeconomic reforms have been inconsistent and have been established primarily to ensure regime survival, rather than a move to a market economy. Overall, the reforms have been effective at stimulating limited growth and reducing the budget deficit as shown in Table 3.1.

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<sup>97</sup> Quoted in U.S.-Cuba Trade and Economic Council, Inc., “Weekly Reports,” 9-15 June 1997.

<sup>98</sup> Ibid.

<sup>99</sup> Ibid.



**Table 3.1 Gross Domestic Product (GDP) and Deficit from 1989-1997 (millions of pesos).**

Year	GDP (in millions of pesos)	GDP per Capita (in pesos)	Change in GDP (in percent)	Budget Deficit(in millions of pesos)	Budget Deficit as percentage of GDP
1989	19,586	1781		1,400	7.1
1990	19,008	1728	- 3.0	2,000	10.5
1991	16,875	1534	-11.2	3,700	21.9
1992	15,010	1365	-11.1	4,200	28.0
1993	12,777	1162	-14.9	5,100	39.9
1994	12,868	1169	+0.7	1,400	10.9
1995	13,185	1198	+2.5	755	5.7
1996(E)*	14,213	1292	+7.8	341	2.4
1997(E)	14,852	1350	+2.5	468	3.2

Sources: Dalia Acosta, "Cuba-Economy: Crisis Persists Despite Growth Forecasts," from *Inter Press Service*, 6 April 1997; Jorge F. Perez-Lopez, "The Cuban Economy in the Age of Hemispheric Integration," *Journal of Interamerican Studies and World Affairs* (Fall 1997): 7; and U.S.-Cuba Trade and Economic Council, Inc "Weekly Updates," various dates.

\*E = Estimate

## 2. Privatization

### a. Land

In September 1993, the Cuban government altered the state-run agricultural system considerably by instituting farming cooperatives called Basic Units of Cooperative Production (UBPC) with the goal to improve efficiency in the agricultural industry. Over 2,000 UBPCs were planned for the country and many have already been established operating in all aspects of Cuban agriculture. As of 1995, the state sector's share of total agricultural land fell from 75 percent to 34 percent and its share of cultivated land fell from 88 percent to 25 percent.<sup>100</sup> While the UBPCs do not receive ownership of the land, which remains with the state, it does become the owner of the

<sup>100</sup> Ritter, "The Cuban Economy in the Mid-1990s," 153.

means of production. UBPCs are more efficient too, using 37 percent less labor than the farms they replaced.<sup>101</sup>

Coupled with the land reform was the September 1994 reintroduction<sup>102</sup> of farmers' markets, where cooperatives could sell any surplus they produced beyond their state commitments. These state commitments require farmers to sell approximately 80 percent of their crop at government rates well below market prices.<sup>103</sup> The markets proved successful in generating income for the state which charged 200 pesos per stand and charged taxes on sales. The first weekend the new farmers' markets were in operation approximately 130 markets produced about 700,000 pesos in sales taxes alone.<sup>104</sup> By late 1995, more than 200 farmers' markets existed.<sup>105</sup>

Initially, the UBPCs and farmers' markets were not a resounding success, experiencing difficulties in labor and price stabilization. Government sources cited a nearly 20,000 person labor shortage in 1995<sup>106</sup> and noted that "the production takeoff of agricultural food did not materialize as expected six months after the opening of the markets."<sup>107</sup> Concerning prices, the markets appear to be working after a few years of operation and certainly better than the secondary economy had before the opening of the farmer's markets. This trend is highlighted by the data in Table 3.2. Part of the success

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<sup>101</sup> Gillian Gunn Clissold, "Balancing Economic Efficiency, Social Concerns, and Political Control," from *The Georgetown University Caribbean Project's Cuba Briefing Paper Series* (Number 4, March 1994).

<sup>102</sup> Farmers' markets were adopted in 1980 and closed under the rectification period in 1986. See Font, "Crisis and Reform in Cuba," 112.

<sup>103</sup> Julie Marie Bunc, "Marxism and the Market: Vietnam and Cuba in Transition," *ASCE* 1996, 242.

<sup>104</sup> Eckstein "The Limits of Socialism in a Capitalist World Economy," 143 and Espinosa, "Markets Redux: The Politics of Farmers' Markets in Cuba," 62.

<sup>105</sup> Espinosa, "Markets Redux," 62.

<sup>106</sup> Jose Alvarez and William A. Messina Jr., "Cuba's New Agricultural Cooperatives and Markets: Antecedents, Organization, Early Performance and Prospects." *ASCE* 1996, 181.

<sup>107</sup> *Ibid.*, 187.

of the markets has to be credited to Cuban entrepreneurial spirit and fervor.

**Table 3.2 Selected Prices at Agricultural Markets in Havana, 1994-1998 (in pesos/pound).**

<b>Item</b>	<b>Secondary Market (June 1994)</b>	<b>January 1995</b>	<b>January 1996</b>	<b>February 1998</b>
<b>Rice</b>	50	7	4	4.5
<b>Black Beans</b>	30	13	9	7
<b>Pork</b>	75	45	28	23

Source: Alvarez and Messina Jr., *ASCE 1996*, 186; U.S.-Cuba Trade and Economic Council, Inc., "Weekly Updates," various dates.

*b. Labor*

Also in September of 1993, the Castro government authorized self-employment in more than 100 occupations, most of which were in areas such as handicrafts, transportation, home repair, and personal services. However, the law had several limits: government approved licenses were required; education or health professionals were not able to be self-employed; Cubans could not hire other Cubans; and university graduates were restricted from self-employment opportunities, although this restriction has been lifted as long as the graduate works in a field other than their study.<sup>108</sup>

Much of the reasoning behind the self-employment law was to legitimize the activity in Cuba's secondary economy. Before the establishment of farmers' markets and self-employment, virtually any foodstuff acquired at the official price could be resold at a major profit and "it [was] highly remunerative for people to devote their creative economic energies to buying and selling between the [regular and irregular economies]."<sup>109</sup> The collapse of the Cuban economy from 1989 to 1993 and the general shortages of nearly all requirements for ordinary life forced consumers to resort to extraordinary means to make ends meet. Before 1993, the black market was booming. According to

government sources, Cubans spent as much as 60 percent of their income in the informal economy in 1993. By 1997, that figure had been reduced to 30 percent and this number included "legitimate purchases of produce from local farmers."<sup>110</sup> The entrepreneurial spirit of Cubans caused the black-market economy to grow as significantly as it did and Castro had to respond. Self-employment, along with farmers' and artisans' markets, and the legalization of the dollar, simply replaced burgeoning sectors of the illegitimate economy.

The self-employment law also responded to the poor status of the economy which had idled many. Self-employment has provided a market for displaced labor as government payrolls have been cut to improve fiscal efficiency. In May 1995, the Cuban government began "rationalizing" workers (layoffs) as part of an economic restructuring effort to increase economic efficiency. Governmental figures indicated that as many as 800,000 of the approximately 4.5 million workforce might be displaced."<sup>111</sup> Indeed, Cuban officials reported that of the island's 4.5 million workforce, 77 percent were employed by the government either directly or through government-operated companies; 3 percent worked under the auspice of joint ventures and economic associations; and 20 percent worked for themselves, or in cooperatives.<sup>112</sup>

Foreign firms view Cuban labor with high regard. The Cuban labor force is highly educated, mobile, disciplined, and inexpensive. Many individuals filling

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<sup>108</sup> Jorge, F Perez-Lopez, "The Cuban Economy in the Age of Hemispheric Integration," 19.

<sup>109</sup> Ritter, "The Cuban Economy in the Mid-1990s," 154.

<sup>110</sup> U.S.-Cuba Trade and Economic Council, Inc., "Weekly Updates," 27 October -2 November 1997.

<sup>111</sup> Joseph M. Perry, Louis A. woods and Jeffrey W. Steagall, " Alternative Policies to Deal with Labor Surpluses During the Cuban Transition," *ASCE* 1996, 91.

<sup>112</sup> U.S.-Cuba Trade and Economic Council, Inc., "Weekly Updates," 5-11 January 1998.

positions in the tourist industry are doctors, teachers, and engineers who prefer to work for dollar tips rather than their meager peso salaries which range from 100-500 pesos a month. For example, of the more than 300 Cubans employed by a hotel chain in the resort town of Varadero, a quarter have post-graduate degrees. In a neighboring hotel, over three-quarters of the employees have university education. This points to some inherent problems in an employment system where waiters can earn more money than doctors, but there is a definite advantage to Cuban labor because of the workers' education, discipline, and mobility.

Recently, the Castro government has reversed course concerning self-employment and the rolls had dropped from over 200,000 in 1995 to less than 170,000 by the close of 1997. Essentially, Havana does not like the competition self-employment provides and has been reasserting state authority. An example of restricted competition included regulations on *paladares* (home restaurants). The *paladares* have been able to provide tourists with better, less-expensive food and better service than state-owned restaurants, and accordingly have cut into the state's clientele. The government responded by briefly outlawing *paladares*.

These restrictions and the reallocation of private enterprise to state control serve to emphasize the capricious nature of the Cuban reforms. Fines are routinely levied against the self-employed and they are also the primary targets of Castro's taxation policy. "The government's message is clear: if you need to engage in self-employment to survive, do so, but do not go beyond survival or you'll be punished."<sup>113</sup>

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<sup>113</sup> Locay, *ASCE* 1995, 7.

c. *Industry*

Most Cuban industries remain in state control and structurally planned.

The exception is the *Sociedad Anónima* (SA). SAs are essentially semi-private companies that act independently of the central state apparatus. They are designed to maximize profits and engage in joint ventures inside and outside of Cuba. Cuba has arranged for most of these corporations to be owned privately by individual Cubans.<sup>114</sup> There are literally hundreds of SAs, many as part of joint ventures, throughout the tourism, service, and light industry sectors of the Cuban economy. SAs are increasingly efficient and profitable, providing attractive options for foreign investors.

**E. TRADE LIBERALIZATION AND FOREIGN INVESTMENT**

The ambitious Foreign Investment Law of 1995 opened broad areas of the Cuban economy to the international market. Areas excluded are in health, education, and the armed services, with the exception of the military's commercial system. The policy set within the framework of the law is designed to encourage economic integration and foreign investment. The law provides foreign investors with full protection from expropriation and stipulates indemnification if expropriation does take place. It allows for sales and transfers of companies to the State or to a third party. It guarantees free transference of profits and the freedom for the joint venture company to import and export. The law also authorizes property rights for permanent non-residents of Cuba.<sup>115</sup>

The law does provide some limits on joint ventures, most notably in the

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<sup>114</sup> Andrew Zimbalist, "Reforming Cuba's Economic System from within," in Jorge F. Perez-Lopez, ed. *Cuba at a Crossroads: Politics and Economics after the Fourth Party Congress*, 233.

<sup>115</sup> Republic of Cuba. *Cuban Law on Foreign Investment*. Presented at the 5<sup>th</sup> Ordinary Period of Sessions, National Assembly of the People's Power, 4 September 1995, Articles 3, 6, 10, 16, and 29.

employment process.<sup>116</sup> International firms must go through a Cuban government entity in order to hire Cubans. Joint ventures are obligated to pay taxes at a rate designated by the Cuban government. Foreign companies must open an account in the Cuban banking system where they must receive and make payments related to their operations, and are required to pay Cuban nationals in pesos which must be obtained beforehand from convertible foreign currency.<sup>117</sup>

The Foreign Investment Law has been key in providing Cuba with increased trading partners, hard currency, employment opportunities, and investment. As of March 1998, over 330 joint ventures with capital from over 40 countries in 34 economic sectors were working on the island.<sup>118</sup> These firms have announced investment of more than \$5 billion and have already committed \$1.25 billion.<sup>119</sup>

In addition to foreign investment, the Castro government has been moving ahead with plans to open free trade and manufacturing zones with exemptions from taxes and custom duties. Three of five planned zones are now open: one next to the Havana International Airport, another on the eastern outskirts of the capital, and a third at the former naval port of Mariel (30 miles west of Havana). The fourth zone will be at Cienfuegos, another former naval facility, in south central Cuba, and the fifth is to open

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<sup>116</sup> According to the U.S. Economic Trade Council Inc., joint ventures must contract with a Cuban employment agency to hire Cuban nationals. The companies pay directly to the agency, in dollars, the monthly salary of each employee. The agency then pays the workers in Pesos. For example, an average monthly wage for a skilled worker is 300 Pesos to 500 Pesos. The company pays the agency 300 to 500 dollars per month. Workers almost always receive a dollar-based cash or product bonus in addition to their monthly salary (worth upward of 100 dollars per month).

<sup>117</sup> Ibid., Articles 9, 26, and 33.

<sup>118</sup> *Prensa Latina*, 7 March 1998.

<sup>119</sup> U.S.-Cuba Trade and Economic Council, Inc., "Weekly Updates, 2 - 8 June 1997.

near Santiago De Cuba, Cuba's second largest city, in the southeast of the island. At the close of 1997, 190 foreign firms were operating in the duty-free zones.<sup>120</sup>

Cuba has aggressively tried to reintegrate into the world economy through high level visits and essentially allowing market-trading forces to take shape. By the end of 1997, Cuba had established commercial and economic relations with 138 countries.<sup>121</sup>

The results of the aggressive effort to expand trade and increase foreign investment are noteworthy. As shown in Table 3.3, Cuban trade has increased significantly since the 1993 low, though it has not reached near 1989 levels. Also shown in Table 3.3 is the dramatic increase of joint ventures in Cuba.

**Table 3.3 Cuban Trade (in billions of pesos) and Joint Ventures (total) from 1989 to 1997.**

Year	Total	Exports	Imports	Joint Ventures
1989	13.5	5.4	8.1	2
1990	12.8	5.4	7.4	20
1991	7.2	3.0	4.2	50
1992	4.1	1.8	2.3	80
1993	3.1	1.1	2.0	112
1994	3.3	1.3	2.0	180
1995	4.3	1.5	2.8	212
1996	5.3	1.9	3.4	260
1997	†	†	†	330*

Sources: U.S.-Cuba Trade and Economic Council, Inc.; Perez-Lopez, "Cuban economy in the Age of Hemispheric Integration." *Journal of Interamerican Studies and World Affairs* (Fall 1997): 8.

† = data not available

\* = 330 as of March 1998

## F. CREDIT

Because Cuba is not a member of either the IMF or the World Bank, guarantees normally available to foreign investors are not available in Cuba. Lack of financial guarantees imposes the greatest difficulty on the Cuban economy. Cuban debt

<sup>120</sup> *Prensa Latina*, 5 February 1998.

<sup>121</sup> U.S.-Cuba Trade and Economic Council, Inc., "Weekly Updates, 15 - 22 February 1998.



instruments, all of which are in default, are grouped in a class of debt instruments known as exotic. Short-term loans are about the only loans available to Cuba and their interest ranges between 14-20 percent.<sup>122</sup>

Changes in the credit market for Cuba appear to be on the horizon. In 1998 Cuba made inroads on restructuring part of its foreign debt, estimated at about \$10 billion. Cuba signed accords with Italy, Argentina, and Japan, Cuba's largest creditor. These deals totaled over \$1 billion. Cuba has been quietly approaching other countries with restructuring solutions and they seem to have been reaching favorable agreements.<sup>123</sup> This is a very positive step in Cuba's economic recovery and acceptance in the world market.

#### **G. AN AVENUE FOR CHANGE?**

Havana officials, including Fidel and Raul Castro, have repeatedly stated that the purpose of the reforms is to create productivity and efficiency in the Cuban model, not to give rise to a market economy.<sup>124</sup> Nevertheless, there are market-oriented forces operating in Cuba and the market has an uncanny ability to establish roots in the cracks of socialist systems. Is the market an inexorable force in a post-Castro Cuba or are there too many obstacles in place in the Cuban socialist economic system? A review of the economic reforms and their support or impediment to a free market should provide a response, which is summarized in Table 3.4.

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<sup>122</sup> Gabriel Fernandez, "Cuba's Hard Currency Debt," *ASCE* 1996, 44.

<sup>123</sup> Andrew Cawthorne, "Cuba CENBANK Chief Reveals Debt Progress," Reuters, 19 October 1998.

<sup>124</sup> Locay, *ASCE* 1995, 8.

**Table 3.4 Potential for Democratic Transition in a Post-Castro Cuba: Cuban Economy.**

<b>Economic Factor</b>	<b>Support for Market Reforms</b>	<b>Impediments to Market Reforms</b>	<b>Potential for Market Transition (High, Moderate, Low)*</b>
<b>Fiscal Reform</b>	Budget austerity, tax reform, legalization of foreign currency, peso stabilization, banking reform, economic diversification	High level of public expenditures, excess peso circulation, rigid adherence to social programs, low levels of investment	Moderate to High
<b>Privatization</b>	Self-employment, farmers' and artisans' markets, SAs, growing importance of private sector, entrepreneurs	Increased interference by the state, no property rights for citizens, no medium to large private enterprise	Moderate
<b>Trade Liberalization and Foreign Investment</b>	Foreign investment, free trade zones, increased trade and trading partners, increased Western influence	Limited access to some markets, employment controlled by the state	High
<b>Credit Market</b>	Debt refinancing	No access to international credit, huge debt	Low

\* High = Market-oriented factors are in place and a post-Castro relationship will likely improve trend toward a free market.

Moderate = Market-oriented factors may or may not be in place but statist policies are impediments to a free market and may not be overcome in a post-Castro transition.

Low = Market-oriented factors are not in place and post-Castro transition will have little effect.

#### **1. Fiscal Reforms**

The overall macroeconomic stabilization program underway in Cuba is a key element of economic liberalization. Moises Naim argues that the first stage of liberalization includes changing macroeconomic rules, reducing the size and scope of the state, and dismantling institutions of protectionism and statism. Instruments such as drastic budget cuts, tax reform, price liberalization, deregulation, and monetary stabilization fall in-line with typical economic openings.<sup>125</sup> Cuba has accomplished much

<sup>125</sup> Moises Naim, "Latin America: the Second State of Reform," *Journal of Democracy* (October 1994), 37.

of these changes in whole or in part.

Despite the positive trends in the macroeconomy, Castro's policies have been half-hearted and inconsistent. The budget remains centered on social programs, leaves very little for investment, and continues to support inefficient government organizations.

## 2. Privatization

Whether through self-employment, the creation of UBPCs, the secondary economy, or semi-autonomous corporations, the private sector is an emerging force on the island generating greatly needed hard currency and helping to attract foreign investment. Privatization has shown success with market-oriented pricing in farmers' and artisans' markets and satisfies a need for displaced labor in Cuba. In a post-Castro Cuba, this sector will be a source of small firms, entrepreneurial spirit, and a critical element to the formation of the middle class. "The nature of Cuba's planned economy itself has inadvertently promoted widespread entrepreneurial values, attitudes, behavior, and savoir-faire, as citizens out of necessity have had to buy and sell, barter, hustle, and network to improvise solutions to their personal economic problems."<sup>126</sup>

To counter the growing private sector, the government has reasserted itself, limiting self-employment and attempting to maintain authority and control. While the state has ostensibly privatized most of the agricultural sector, it maintains property rights and requires 80 percent of agricultural production. The degree of control and autonomy which UBPC members have in the operation of their farms is limited compared to other markets, but it does represent an improvement from the state-run farms. There are no

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<sup>126</sup> Archibald R. M. Ritter, "Entrepreneurship, Microenterprise, and Public Policy in Cuba: Promotion, Containment, or Asphyxiation?" *Journal Of Interamerican Studies and World Affairs* (Summer 1998), 63.

medium or large private enterprises in Cuba. Cubans still do not have the right to own private property, one of the essential elements of a market economy.

### **3. Trade Liberalization and Foreign Investment**

The greatest strides toward a market-oriented economy have occurred Cuba's trade and foreign investment policies. The policies of reintegration, expanded trade, joint ventures, and free trade zones are positive features that portend further market reforms. Although foreign investors are still denied autonomy in employment practices and have not achieved access to all of Cuba's critical markets, they are an ever-increasing power in Cuba. Increased involvement from Western firms and incorporation of market-oriented business practices augur well for an open economy now and even more so post-Castro.

### **4. Credit Market**

Cuba's huge debt and lack of access to investment instruments are tremendous hindrances to market reform and recovery. Not only does Cuba have limited entrance to world sources of capital such as the IMF and the World Bank; there are no indigenous establishments that provide credit to any level of business. While the government after Fidel may be incorporated into world financial bodies, there is no guarantee that a new organization will accept IMF or World Bank assistance, which are likely viewed as instruments of the United States. Although Cuba has attempted to restructure its debt through negotiation and innovative means, the huge financial liability will be a definite encumbrance to a market economy.

## **H. CONCLUSION**

Market economies are a necessary, though not sufficient, means toward democratic transition. The market instills ideas of freedom and fosters an environment for increased public access and involvement in the political process. The economic

changes that Cuba has undergone since the loss of their Soviet benefactor should play a positive role in the creation of a civil society with democratic ideals in a post-Castro Cuba. Castro's departure will create opportunity for reform-minded technocrats to ally with other military and political elites and institute further market-oriented reforms.

The Castro government has embarked on a process that is, by their own admission, irreversible. Notwithstanding the fact that "the current policy approach is punitive, restrictive, and discriminatory and seems to be designed mainly to hold back the evolution of small and middle-sized enterprise...",<sup>127</sup> Havana is required to maintain a course of economic liberalization in order to stave off the collapse of its economy, political unrest, and to ensure regime survival. Cuba's austere fiscal policy has opened a path for reformers and has helped to create a framework for market practices such as tax, currency reform, and banking reform, as well as the reduction of state payrolls. Privatization in land, labor, and industry, though limited, is gaining influence and will play a vital role in transformation to a market economy. Economic involvement from forces outside of Cuba has had the greatest impact toward market reforms and will continue to do so after Castro. The greatest obstacle to an open economy in a Cuba without Fidel is a debilitating credit situation.

Clearly, it is difficult to accurately predict the future of Cuba without Castro, but the forces of the market are already playing a prominent role in Cuba's outlook. Several institutions are already in place which will allow market forces to take over after Castro and have clearly had a liberalizing effect on political and civil society. This portends the best prospects for a democratic transition in Cuba.

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<sup>127</sup> Ibid., 64.



## IV. CIVIL SOCIETY

### A. INTRODUCTION

Civil society is that arena “where self-organizing groups, movements, and individuals, relatively autonomous from the state, attempt to articulate values, create associations and solidarities, and advance their interests.”<sup>128</sup> Civil society consists of a wide array of formal and informal organizations such as interest groups, cultural and religious organizations, and civic groups. Civil society mobilization had a tremendous impact on transitions in Latin America and Eastern Europe. Recently, civil society actors in Cuba have been able to wrest some elements of control from the Castro government. What have these changes been? Do the changes in Cuban civil society portend democracy or are they simply a control mechanism of Castro? How was Cuban civil society impacted by Pope John Paul II’s visit in January 1998? The purpose of this chapter is to explore the changes Cuban civil society has undergone since the collapse of the Soviet Union – the onset of Cuba’s transition – and determine if these alterations have helped pave the way for a transition to democracy after Castro is gone.

### B. CIVIL SOCIETY, TRANSITION, AND DEMOCRACY

There is little doubt surrounding the importance of civil society and its relationship to democracy. The literature on this subject is vast and virtually all points to the role that civil society has to play in transitions from authoritarian rule.<sup>129</sup> The

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<sup>128</sup> Linz and Stepan, *Problems of Democratic Transition*, 7.

<sup>129</sup> Linz and Stepan in *Problems of Democratic Transition*; Diamond, Linz, and Lipset, *Politics in Developing Countries*; and Ernest Gellner, *Conditions of Liberty: Civil Society and its Rivals* (New York: The Penguin Press, 1994) are good starting points. An excellent work on Cuba is Gillian Gunn Clissold, “Cuba’s NGOs: Government Puppets or Seeds of Civil Society.” *The Georgetown University Caribbean Project’s Cuba Briefing Paper Series* (Number 14, May 1997). Available [Online] <<http://www.georgetown.edu/sfs/programs/clas/Caribe/cbps.htm>> [15 April 1998].

significant role public actors played in mobilizing the opposition and creating the impetus for transitions in South America and Eastern Europe is undeniable.

Ernest Gellner describes civil society as “a set of diverse non-governmental institutions which is strong enough to counterbalance the state and, while not preventing the state from fulfilling its role of keeper of the peace and arbitrator between major interests, can nevertheless prevent it from dominating and atomizing the rest of society.”<sup>130</sup> Key to this definition is autonomy from the state, some form of coalescence, and the role non-governmental groups can play in counterbalancing the weight of the ruling polity.

What role does civil society play in leading democracy? It often acts as an agent that can help to bring about liberalization. Alfred Stepan accurately assesses the importance of liberalization as opposed to democratization arguing that the former refers specifically to civil society. He discusses liberalization as “governmental policy and social changes that create greater room for various groups....”<sup>131</sup> Civil society creates opportunities and space for non-governmental actors and forces state liberalization policies. At some point, “fissures in the authoritarian power bloc appear which suggest to the civil society that at least some forms of autonomous organization will not be repressed. [This] marks the onset of liberalization.”<sup>132</sup>

An energized civil society can seize upon political openings and create tremendous opportunity to bring about change. Civil society is linked with economic society in an authoritarian state because both of these forces are trying to create space for

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<sup>130</sup> Gellner, *Conditions of Liberty*, 6

<sup>131</sup> Alfred Stepan, *Rethinking Military Politics: Brazil and the Southern Cone* (Princeton: Princeton University Press, 1988), 6.

<sup>132</sup> Przeworski, *Democracy and the Market*, 56.



increased freedoms. Civil society is linked with political society because it is the state that civil society actors must challenge in order to achieve increased political space and organizational goals.

### **C. THE STATE, LIBERALIZATION, AND CIVIL SOCIETY IN CUBA**

In Cuba, civil society is generally in its infancy and has not been able to create the political space required to bring about great liberalization policies from the Castro government. Civil society in Cuba is more responsible for making subtle changes.

Marifeli Perez-Stable is accurate in assuming civil society in Cuba does not

necessarily behave in an organized fashion, nor do they make use of formal means to their ends.... Instead, the [emergent] society is constituted by a wide spectrum of organized and unorganized interests that have changed the social power of the state, redistributed it among diverse groups of varying degrees of autonomy, and opposed the government's efforts to maintain state control.<sup>133</sup>

This understated activity has been slowly gaining strength in Cuba since the fall of the Soviet Union and has forced some liberalization in the Castro government. This is not to say, however, the Cuban state does not exert tremendous authority in the every day life of Cuban citizens.

#### **1. The State**

The Cuban state remains pervasive in Cuba and has virtually all the means of control at its disposal. The most important aspect of the state's control has been its legitimacy which is anchored in nationalism and the Revolution. Castro himself is the critical component of state control and legitimacy because he personifies both

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<sup>133</sup> Marifeli Perez-Stable, "The Invisible Crisis: The Exhaustion of Politics in 1990s Cuba," in *Toward a New Cuba?*, 40.

Nationalism, and the Revolution.<sup>134</sup>

There is no doubt that the state uses a variety of methods to control and suppress the Cuban people. State control mechanisms include arrests, the Committees for the Defense of the Revolution (CDRs), the Confederation of Cuban Workers (CTC), and Rapid Reaction Brigades. The state controls the media, education, the military, and the Interior Ministry. A study of the CDRs will illustrate how pervasive the state is in everyday life.

## **2. Committees for the Defense of the Revolution (CDRs)**

The CDRs were created in the 1960s and have made a unique contribution to the Cuban revolution. They act as a politicized, government-controlled neighborhood spy organization and essentially have "brought about the permanent presence of the social control system carried out by the state within family units."<sup>135</sup> Today they count about 80 percent of the adult population as members.<sup>136</sup>

The CDRs are organized at every level of the Cuban polity from a national organization down to city block groups. The CDRs work directly with state organizations such as the police, the Interior Ministry, and the FAR. CDR officials have the duty to know the activities of each person in their respective blocks and to maintain files on everyone. Additionally, within each block, there is one other agent who deals indirectly with the CDRs: this person reports directly to an officer of the state security

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<sup>134</sup> Perez-Stable offers an excellent discussion of what she terms the trilogy that sustains the regime. Her trilogy includes Fidel, love of the homeland, and the revolution. See Perez-Stable, "The Invisible Crisis," 42. The level of legitimacy the Castro government has achieved is a contentious issue. For some various discussions on this subject, see Gonzales, *Cuba Clearing Perilous Waters*; Centeno and Font, *Toward a New Cuba*; Perez-Lopez, *Cuba at a Crossroads*; and Paul Buchanan, "The FAR and Cuban Society," and Jaime Suchlicki, "Current Assessment of Cuba," in *The Military and Transition in Cuba*.

<sup>135</sup> Perez-Stable, "The Invisible Crisis," 43.

<sup>136</sup> Elizabeth Breland, Prerequisites For Democracy in Cuba: Promoting Liberalization via Civil Society (M. A. Thesis, Naval Postgraduate School, 1993), 21.

apparatus. Regular national, provincial, municipal, and zone meetings are called and CDR presidents are required to attend and to pass information from these meetings to the citizens in their blocks. There are clear links between CDRs and the state such as the Rapid Response Brigades, goon squads created in 1991, which may show up on someone's doorstep with hammers, clubs, and bricks to dissuade potential dissidents.<sup>137</sup> Citizen participation is essentially a requirement in these CDRs because they have tremendous access to the means of virtually all the necessities of life in Cuba.

#### **D. LIBERALIZATION**

##### **1. Economic Liberalization**

Despite all the mechanisms of control available to Castro, civil society, economic realities, and international pressure have forced some changes. In today's context, the economic and political foundations of Marxist-Leninist philosophy are on tenuous footing; witness the liberal economic changes in Russia, China, Vietnam, and the nations of Central and Eastern Europe. In regard to the demise of socialism, Nelson Amaro prudently notes, "at some point in time, the parties in power realize that the system does not function as it was anticipated and begin to remedy this situation through policies to manage the regime effectively."<sup>138</sup> The Castro government has been forced to undertake significant changes to maintain its power, most notably in the economic realm, but also in the political realm.

The market-oriented changes that the Castro government has instituted are well documented in Chapter III of this thesis and include various changes in the land, labor,

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<sup>137</sup> Nelson Amaro, "Decentralization, Local Government, and Citizen Participation in Cuba." *ASCE* 1996, 273-276.

<sup>138</sup> *Ibid.*, 262.

and capital restrictions in Cuba. The decentralization of the economy constituted a significant departure from Castro's rhetoric against capitalism and market oriented economics. More importantly, the liberalization was instituted to placate the increasingly disgruntled masses and the demands they began to make on their government after the economy failed. Gellner points out that "economic decentralization is essential... and constitutes a precondition of anything resembling a civil society."<sup>139</sup> Economic liberalization created political space for civil society.

Because of the Cuban economic reconstruction, the private sector has become a force on the island, generating greatly needed hard currency and helping to attract foreign investment. Privatization has shown success with market-oriented pricing in farmers' and artisans' markets and satisfies a need for displaced labor in Cuba. In a post-Castro Cuba, this arising sector will be a source of small firms, entrepreneurial spirit, and a critical element to the formation of a robust civil society.

## **2. Political Liberalization**

In 1991, the CDRs began to roll back their revolutionary zeal in deference to the difficulties in the Cuban economic situation. CDRs reduced their meetings to one every three months from once a month and other party organizations followed their lead.<sup>140</sup>

Cuban citizens were granted political space in the form of electoral reform in the 1992 Constitution. In 1992, the populace began to directly elect representatives to the National Assembly of People's Power (ANPP). Before that, the Municipal Assembly member, following their election, selected provincial and national representatives.<sup>141</sup>

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<sup>139</sup> Gellner, *Conditions of Liberty*, 88.

<sup>140</sup> Andres Oppenheimer, *Castro's Final Hour*, 310.

<sup>141</sup> Amaro, "Decentralization, Local Government and Citizen Participation," 269.

Another aspect of state decentralization can be observed in the creation of Popular Councils (CPs) documented in Chapter II. CPs have created greater efficiency in local municipalities and helped to create a critical tie from civil society to both economic and political society actors. This political liberalization has provided the masses with greater access to both economic and political arenas.

There has been an explosive growth of Cuban NGOs since 1989 and these represent challenges to the state on various levels. Approximately 2,200 NGOs are now registered with the government and many others exist underground. While the state still requires NGOs to register with it under specific laws written in 1985, Castro's acceptance of NGOs on the island is a significant change which empowers the Cuban populace.<sup>142</sup>

Political space has been created in Cuba civil society through the relaxation of CDRs, the expanded involvement of the citizenry in elections and local participation, and the emergence of NGOs. CPs and NGOs have demonstrated some independent thought and decentralization. Activities these groups organize help to implement economic and other reforms and are crucial ties to political and economic society. They could be key in mobilizing a civil society after Castro.

#### **E. CIVIL SOCIETY AND NGOS**

Civil society and NGO were once seditious terms in Cuba. Officials argued that the state inherently reflected the will of the people and independent citizens groups were unnecessary. This has begun to change. Fidel Castro used the term, "civil society," at the 1994 Ibero-American Summit and *Gaceta*, the official journal of the state-controlled writers' union, recently defended the expression's legitimacy.<sup>143</sup>

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<sup>142</sup> Gillian Gunn Clissold, "Cuba's NGOs: Government Puppets or Seeds of Civil Society," 1.

<sup>143</sup> Ibid.

A key element of civil society is the unorganized masses and their forms of communication. In Cuba, these societal bonds take place in the form of *entre socios* or between partners. A role performed by ordinary citizens who use whatever means at their disposal to survive and help their communities survive as well.

These ties existed in Cuba prior to the [economic] crisis, but they expanded along with a growing acceptance among Cubans who found in them a solution to their more immediate problems. This process, far beyond its economic importance, has transcendental consequences for the development of a civil society.<sup>144</sup>

These informal ties are buttressed further by Cuba's homogenous population. In a country of 11 million people, there does not exist the type of ethnic diversity seen in Eastern Europe which created some difficulties in the emergence of civil society. The Cuban populace speaks Spanish, is well educated, and has developed strong communal ties in order to survive the "special period." The issue of race does play a factor in Cuba and may be more important after Castro if a predominantly white exile community confronts Cuba's black population. However, the race issue is not a predominant feature of Cuban society and Castro's revolution has aided this fact.<sup>145</sup> Familial links off the island through communication and cash remittances, have also bolstered *entre socios*. Though these elements are not organized, *per se*, they do represent a potential vehicle for popular mobilization in the post-Castro era.

Organized social groups also exist in Cuba in the form of NGOs, and Castro's government tacitly accepts them because of their ability to receive foreign donations and

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<sup>144</sup> Perez-Stable, "The Invisible Crisis," 41.

<sup>145</sup> For a discussion on race relations in Cuba see Alejandro de la Fuente and Laurence Glasco, "Are Blacks Getting out of Control?," 53-72. In this work, the surveyed the Cuban populace on aspects of pre and post revolutionary Cuba. Their data show that racism has become a less important issue in Cuba. For example, 79 percent of black respondents to their survey felt that discrimination was over but some prejudices remained. Additionally, 65 percent of blacks felt that they were well represented in the Cuban leadership and only 7 percent felt that there should be an all-black organization.

contribute to the economy. Nevertheless, the state remains circumspect about these organizations and maintains control over their establishment. NGOs must register with and be accepted by the state to be legal. Organizations must provide at least thirty names with detailed personal information about the top leadership, prove they are self-financing, submit written goals, and obtain a negative certificate from the Ministry of Justice stating that there is no other registered NGO with a similar purpose. The NGO must also obtain the sponsorship of a state institution and allow the institution to attend board meetings and inspect its accounts to confirm it is carrying out its stated purpose.<sup>146</sup>

Gillian Gunn Clissold's research in 1994 provides the greatest insight and information about Cuban NGOs. She asserts that there are two types of NGOs: top-down government-sponsored groups and bottom-up grass roots establishments. State-sponsored NGOs include the Federation of Cuban Women (FMC), the National Association of Small Cultivators (ANAP), and the Union Of Writers of Cuba (UNEAC). The government of Cuba has only recently labeled these groups as NGOs and their identification as non-governmental is circumspect because they typically have been instruments of government control. Many of the leaders of these top-down NGOs are key members of the state. For example, FMC leader Vilma Espin is the wife of Raul Castro, and UNEAC head Abel Prieto is a member of the Cuban Politburo.<sup>147</sup> Other state-sponsored groups include think tanks like the Center for the Study of America (CEA) and the Center for European Studies (CEE). Both organizations receive funding from the state but also receive much of their budgets from external sources.<sup>148</sup>

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<sup>146</sup> Gunn Clissold, "Cuba's NGOs," 2.

<sup>147</sup> Ibid., 1-2.

<sup>148</sup> Ibid.

Religious organizations represent the most prominent group of bottom-up NGOs, and have capitalized on the space created by Castro when religious practice was officially recognized in 1991. The Catholic Church, through its charity *Caritas*, receives humanitarian donations, primarily food and medicine, from abroad independent of the state. The Yoruba Cultural Association of Cuba was established in 1991 to promote Afro-Cuban religious traditions commonly referred to as Santería. Other religious organizations include Protestant churches and Masons.<sup>149</sup>

Non-religious grassroots organizations have developed as well. The Felix Varela Center, established by a former Central Committee staffer in 1990, sponsors recreation for young cancer patients and has organized a community-based paint factory. The Pablo Milanés Foundation, established in 1990 by the popular Cuban singer and financed with proceeds from his musical endeavors, provides support for young Cuban artists and aids independent cultural institutions.<sup>150</sup>

Though most are not recognized as NGOs, human rights groups also exist in Cuba. The first of these groups, and probably most important, is the Cuban Committee for Human Rights, founded in 1976. It advocates respect for human rights based on the UN's Universal Declaration of Human Rights, a market economy, free press, and free expression.<sup>151</sup> Other human rights groups in Cuba include the Association for Free Art, the Cuban Commission on Human Rights and National Reconciliation, and the Human Rights Party in Cuba, all founded in the late 1980s. Dozens more have sprung up in the

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<sup>149</sup> Ibid.

<sup>150</sup> Ibid.

<sup>151</sup> Juan M. del Aguila, "Politics of Dissidence," in *Conflict and Change in Cuba*, eds. Enrique A. Baloyra and James A. Morris (Albuquerque: University of New Mexico Press, 1993), 170.



1990s. Leaders of these groups are subject to various forms of repression from the state and many have been imprisoned.

Gunn Clissold points out that the division of Cuban NGOs into two categories “is drawn for the sake of analytical clarity.”<sup>152</sup> Most of the organizations cross the lines of grassroots or state sponsored. The state frequently attempts to convert bottom-up NGOs into government instruments, while citizens occasionally try to re-shape top-down NGOs into grassroots organizations.<sup>153</sup>

These groups serve two important purposes in helping to establish civil society in Cuba. First, they work to gain space from the state in various ways. Human rights groups in particular confront the state directly. In 1988, Castro denied that human rights groups existed in Cuba and railed against them as “organizations of liars and slanderers, that’s what we have here. And they will never be legalized. That’s wishful thinking.”<sup>154</sup> While the human rights groups do not have state recognition, they do exist in Cuba, despite Castro’s harsh rhetoric. Second, these groups help to rally the populace: “the presence of these groups establishes a cleavage at the grass roots; human rights activists comprise the leading edge of an increasingly visible and assertive adversary culture that seeks to communicate directly to both Cuban society and international public opinion.”<sup>155</sup> Whether approved by the state or not, the explosive growth of NGOs has contributed to the growth of Cuba’s infant civil society.

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<sup>152</sup> Gunn Clissold, “Cuba’s NGOs”, 3.

<sup>153</sup> Ibid., 7.

<sup>154</sup> Quoted in del Aguila, “Politics of Dissidence,” 176.

<sup>155</sup> Ibid., 179.

## F. THE CATHOLIC CHURCH

It is important to highlight the Catholic Church in Cuba as an extremely important mass organization, because it is the single most substantial societal actor in Cuba. It has independence from the state and has also begun to challenge Castro's policies.

Approximately 40 percent of the population has been baptized and can be identified with Catholicism, although many of the population also identify with Santeria, the most prominent religion on the island.<sup>156</sup> *Caritas*, the worldwide Catholic relief organization, acts independently of the State. Archbishop Jaime Ortega was made Cardinal in 1994, elevating the importance of Cuba on Pope John Paul II's scope and vice-versa. Finally, the visit of the Pope in January 1998 bolstered the importance of the Church in Cuba and appears to have forced greater Church role in demanding change from Castro. It is interesting to note that since the early days of the Cuban Revolution, the Church and the state have had conflict.

Although many priests went into exile following the revolution, more than 200 remained. As a result, the Catholic Church initially was more inclined to challenge the government and was less vulnerable to reprisals for doing so. Now, the church has a well-organized hierarchical structure on the island which has made government pressure on individual parishes or priests less feasible. This structure is well supported by the international features of the Church.<sup>157</sup>

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<sup>156</sup> Kenneth L. Woodward, "Our Man in Havana," *Newsweek*, 19 January 1998, 34, and Oppenheimer, *Castro's Final Hour*, 340. Oppenheimer notes that as many as 4000 Babalaos (Santeria priests), existed in Cuba in 1991. In comparison, there were only 250 roman Catholic priests.

<sup>157</sup> Shawn T. Malone, "Conflict, Coexistence, and Cooperation: Church-State Relations in Cuba." *The Georgetown University Caribbean Project's Cuba Briefing Paper Series* (Number 10, August 1996). Available [Online] <<http://www.georgetown.edu/sfs/programs/cas/Caribe/cbps.htm>> [15 April 1998], 4-5.

*Caritas* delicately manages the discord with the government in order to maintain its strength within Cuba and has emerged as an important model for other NGOs. The state-run organization that grants permission to NGOs to exist in Cuba

insists that state institutions, mainly hospitals, schools and retirement homes, be the final distributors of donated products. *Caritas* ensures that only intended recipients consume the donated products by designating a "sympathetic individual" at each institution to report end-use. The charity seems satisfied that donations are generally used for their designated purpose. In fact, the *Caritas* monitoring network is acquiring such a solid reputation that other NGOs have asked it to evaluate end-use of their donations too.<sup>158</sup>

In the past, the Church has been very reluctant to challenge the state, seeking "coexistence."<sup>159</sup> However, since 1991 the Church has taken on a greater role. It has been prominent in calling for reconciliation with exile groups, has publicly decried the state's control of the media, and has challenged governmental policies regarding human rights. The Church's Center for Civic and Religious Education has been organizing workshops on democracy, civics, and market economics across the island and educating people about both the rights and duties of citizenship.<sup>160</sup> The Church issued its strongest defense of the dissident community following the arrests of several leaders of *Concilio Cubano*, a coalition of human rights activists. The group had planned a meeting for 24 February 1996 but many of its leaders were arrested earlier in the month, forcing the meeting to be canceled. The Church statement defended "the contribution of diverse ideas and initiatives . . . [as] a treasure and a recognized right of all citizens."<sup>161</sup> The

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<sup>158</sup> Gunn Clissold, "Cuba's NGOs," 7.

<sup>159</sup> Malone introduces this concept in "Conflict, Coexistence and Cooperation."

<sup>160</sup> Congress, House of Representatives, International Relations Subcommittee on the Western Hemisphere, Church-State Relations in Cuba: *Hearing before the Subcommittee on the Western Hemisphere*, 4 March 1998. Shawn T. Malone, "Congressional Testimony on the Papal Visit before the House of Representatives, Committee on International Relations, Subcommittee on the Western Hemisphere," Available [Online] <<http://www.georgetown.edu/sfs/programs/clas/Caribe/testimony.htm>>[15 April 1998], 1.

<sup>161</sup> Malone, "Conflict, Coexistence, and Cooperation," 8.

Cuban Catholic Church also criticized the February 1996 shootdown of two exile planes by the Cuban government as “disproportionate and violent and its effects [were] devastating for those who maintain moderation as the solution to the crisis.”<sup>162</sup> Moreover, the visit of the Pope has further strengthened the church.

#### **G. THE PAPAL VISIT**

The Papal visit from 21-25 January 1998 marked a sea change (or perhaps See change) on various levels of intranational and international relations in Cuba. Concerning Church-state relations in Cuba, it provided key gains. In testimony to the U.S. Congress regarding changes in Cuba from Pope John Paul II’s visit, Shawn Malone, a prominent Church scholar, noted that “while no new freedoms were guaranteed, the Church gained greater space and a higher profile in Cuban society, both of which are important.”<sup>163</sup>

Pope John Paul II has been an extraordinary figure in combating communism, and contributing to democratic changes in Eastern Europe and South America. While in Cuba, the Pope had unprecedented access to the media and routinely called into question the validity of the Castro system. The Pontiff cited a Cuban hero and democracy advocate saying “ [democracy is] the political project best in keeping with human nature.”<sup>164</sup>

The Pope has already made a difference. In the month following his visit, Cuban bishops called for broader discussions with Castro and an increased role for the island’s needy. They even published a document, “Open Your Hearts to Christ,” and were able to

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<sup>162</sup> Ibid.

<sup>163</sup> Malone, “Congressional Testimony,” 2.

<sup>164</sup> Quoted in Andrew Phillips, “Soul-Searching in Cuba: The Pope Boosts the Church – and Castro,” *Maclean's*, 2 February 1998, 38.

circulate it inside of Cuba.<sup>165</sup> Cuba also announced the release of 299 prisoners including political prisoners. Although human rights organizations had been able to confirm the release of a little more than one third by April 1998, this marks a significant contribution to civil rights in Cuba.<sup>166</sup>

More recently, the Pope appears to be applying more pressure to Castro. He summoned all Cuban bishops to a June 8-14 meeting at the Vatican to evaluate the results of the visit to Cuba and the future of relations between the Roman Catholic Church and the Cuban government. A Vatican source noted that "this is not an ordinary convocation, either in the number of the participants or its duration or the circumstances in which it's held." The Vatican further noted that "there are several issues the Cuban government has not complied with including a greater opening, a general political amnesty and greater space, so the Church can participate in the communications media and other social areas."<sup>167</sup>

Following the Vatican meeting, Cuba's Catholic Church urged the Castro government to respect all human rights, decried the U.S. trade embargo, and offered itself as a mediator for change. A six-page declaration by the Cuban bishops stated "the church offers its social doctrine as a framework for stimulating the economy and civil society."<sup>168</sup> This represents a shift for the Church in which a more combative attitude with the Cuban State seems evident.

Malone adeptly discusses what the Papal visit meant to Cuba. "It created an

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<sup>165</sup> "Cuban Bishops Call for Positive Dialogue," *Miami Herald*, 21 February 1998.

<sup>166</sup> Martin Langfield, "Varied Fruits of Pope's Trip Divide Cuban Exiles," *Reuters*, 7 April 1998.

<sup>167</sup> Quoted in Pablo Alfonso, "Cuban Bishops to Evaluate Island's Progress," *Miami Herald*, May 27, 1998.

<sup>168</sup> Declaration quoted in Juan O. Tamayo, "Cuban Bishops Call for Change," *Miami Herald*, 30 May 1998.

image of the Church as a serious national actor, and an increased familiarity with Catholicism among the population. Both of these gains are significant and irrevocable, although they cannot really be classified as gains in freedom.”<sup>169</sup>

In sum, the Church has far greater space in Cuba than any other NGO – partly because it is much more than a simple NGO – and continues to make gains in this area. It has been well supported by a hierarchical structure that has genuine strength both on the island and in the international community: “as the most authentic non-governmental organization in the country and the only one with strong ties throughout the world, the Church is positioned to facilitate peaceful change both within Cuba and in Cuba's relations internationally.”<sup>170</sup> In many ways, the Church has positioned itself as an entity that can contribute to the growth of civil society in Cuba and help it flourish.

#### **H. THE STATE RE-EMERGES**

Despite the many gains non-state actors have made in the last half-decade, the state remains dominant and continues to reassert itself against economic and political liberalization. Perhaps the most innovative and influential economic NGO has been the CEA, an economic think tank. It has been credited with many of the reforms underway since the fall of the Soviet Union. However, Raul Castro attacked it in a speech in March 1996. Subsequently, the former director of the Communist party's public opinion institute replaced the head of CEA, while some of CEA's most prominent researchers have either been reassigned centers or are in limbo.<sup>171</sup>

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<sup>169</sup> Malone, “Congressional Testimony,” 3.

<sup>170</sup> Ibid.

<sup>171</sup> Gonzales, *Cuba's Dismal Post-Castro Futures*, 4-5. Gonzales notes that the two reformists were Julio Carranza and Pedro Monreal who were responsible for writing a “cautiously critical” study of the government's move to a mixed economy.

To counter the growing private sector, the government has reasserted itself, limiting self-employment and attempting to maintain authority and control. There are no medium or large private enterprises in Cuba. Cubans still do not have the right to maintain private property, one of the essential elements of a market economy. Recently, the Castro government has reversed course in regard to self-employment and the rolls have dropped by more than 30,000 in less than two years.

These economic reversals and the crackdown on *Concilio Cubano* are just some examples of Castro's ability to maintain state-centered power. Edward Gonzales notes that "the Cuban government remains as authoritarian as ever, intolerant of political dissent and ready to harass or crush individuals and political groups that criticize or challenge it."<sup>172</sup> These fluctuations of state authority and citizen participation represent a normal condition of state-society relations and point to the increasing strength of Cuban civil society.

## **I. AN AVENUE FOR CHANGE?**

Early in this paper, the liberalization process was highlighted as a means toward creating a robust civil society and an avenue for democratic transition. It is now important to ask whether the emergent Cuban civil society is capable of hastening liberal change in a post-Castro Cuba or whether there are too many obstacles in place in Cuba's state-centered power structure. A review of some of the changes in the state-civil society structure and whether or not these changes support or impede liberalization post-Castro should provide a response. These changes are summarized in Table 4.1.

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<sup>172</sup> Gonzales, *Cuba's Dismal Post-Castro Futures*, 5.

**Table 4.1 Potential for Democratic Transition in a Post-Castro Cuba: Civil Society.**

<b>Civil Society Sector</b>	<b>Support for Liberalization</b>	<b>Impediments to Liberalization</b>	<b>Potential for Liberalization (High, Moderate, Low)*</b>
<b>Economic</b>	Dollarization, self-employment, UBPCs	No medium or large scale business, no organized business groups to challenge the state	Low
<b>Political</b>	Increased access to polity through CPs, weakened CDRs and state	No political opposition allowed, complete governmental control over all means of power	Low
<b>NGOs</b>	The Church, explosive growth in NGOs	Governmental control over process and routine co-optation	Moderate
<b>Masses</b>	Homogeneity, Entre Socios	Culture of spy-network and fear of state-reprisal	Moderate

\* High = Factors that contribute to civil society are in place and a post-Castro relationship will likely improve trend toward a robust civil society.

Moderate = Factors that contribute to civil society are not in place but state control may not be overcome in a post-Castro transition.

Low = Factors that contribute to civil society are not in place and the post-Castro state will likely impede the growth of civil society.

#### **1. Economic Liberalization**

Economic liberalization, which has been responsive to societal demands and Cuban entrepreneurial spirit has been the most prominent in Cuba since the loss of Cuba's Soviet benefactor. Despite the liberalization, the Cuban state maintains ownership in virtually every sector of the economy and there strong business groups and associations within Cuba that can pose a significant challenge to the state. The economic liberalization process creates mechanisms that enhance civil society and will likely continue at a stronger pace after Castro.

#### **2. Political liberalization**

Political liberalization has not occurred at nearly the pace that economic change has. Cubans can choose their representation at lower levels of government but only



through the measures and candidates determined by the Castro regime. Castro's spy network has relaxed its vigilance in recent years, but it still remains. While there are seeds of growth in the political aspect of civil society, the current climate remains counter to any organized opposition to Castro. Even after Fidel is gone, it will likely take years for sufficiently powerful groups to emerge to affect real liberal change.

### 3. NGO Growth

The recent emergence of numerous NGOs is a positive sign for the growth of civil society post-Castro but those groups still need the backing of government forces to be viable. While access to NGOs is more available now than ever during Castro's reign, only the Catholic Church has the ability to challenge state authority to some extent. The Church's power has grown since the visit of Pope John Paul II, but it is still not significant enough to pose a real challenge Castro.

### 4. Masses

One aspect of the Cuban populace that can help build civil society is seen in *entre socios*. Cuba's homogenous population can also support civil society. Linz and Stepan argue that "the more the population of a territory of the state is composed of plurinational, lingual, religious, or cultural societies, the more complex politics becomes because an agreement on the fundamentals of a democracy will be more difficult."<sup>173</sup> The converse must be true and this cultural similarity bodes well for civil society and democratic transition in a post-Castro.

In sum, the potential for liberalization and the subsequent growth of civil society in a post-Castro Cuba is limited. Only the growth of the Church and the potential

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<sup>173</sup> Linz and Stepan, 29.

available in Cuba's masses bode well for a robust civil society after Castro.

## **J. CONCLUSION**

A robust civil society is an important factor in democratic transitions, empowering demands placed on the state to provide basic civil liberties. Liberalization in the Cuban economy is a necessary condition for democratic change and it has positively affected changes in civil society. Cuban NGOs have grown dramatically since the fall of the Soviet Union but Castro has been extremely effective at fragmenting and controlling any movements that have been pro-democratic. The Catholic Church, bolstered by the visit of Pope John Paul II, appears poised to challenge the state. However, dramatic changes are not likely to occur while Fidel Castro is around to combat them with his charisma and nationalistic fervor. Despite all the impediments to the growth of civil society in Cuba, the populace has made residual gains. While the Cuban people have made tremendous strides toward a growing civil society, it is clearly in its infancy and must grow and receive tremendous economic and political support from internal and external sources if it is to be a factor in Cuban democratization.

## **V. INTERNATIONAL FACTORS**

### **A. INTRODUCTION**

Just like Cuba's political, economic, and civil societies, Cuba's international relations have undergone many changes since the collapse of the Soviet Union. While Castro had attempted to export revolution in the 1970s and early 1980s, he stopped doing so in the late 1980s and sought to improve his and Cuba's international standing. Many countries are now investing in Cuba, providing a boost to economic society, and civil society has been encouraged by the Papal visit. Overall, there has been an opening of Castro's Cuba to the international community. Has this opening been a means for Castro to maintain control or does it have an impact on liberalization? How important is the international factor in democratic transition? What role can the United States play in Cuba's transition? How did Pope John Paul II's visit in January 1998 alter Cuba's international landscape? The purpose of this chapter is to explore the changes Cuba's international relations have undergone since the collapse of the Soviet Union, with a primary focus on U.S.-Cuban relations, and determine if these alterations have helped pave the way for a transition to democracy after Castro is gone.

### **B. INTERNATIONAL FACTORS, TRANSITION, AND DEMOCRACY**

International factors can be identified as foreign governments, international organizations, such as the United Nations, the World Bank, and other NGOs and their collective impact on a country's international relations.<sup>174</sup> There is continuing debate as to whether or not international factors can have an impact on democratization and

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<sup>174</sup> Geoffrey Pridham, "The International Dimension of Democratization: Theory, Practice, and Inter-regional Comparisons," in *Building Democracy?: The International Dimension of Democratization in Eastern Europe* ed. Geoffrey Pridham, Eric Herring, and George Sanford (New York: St. Martins Press, 1994), 11.

liberalization in authoritarian countries.<sup>175</sup> Abraham Lowenthal notes that “external factors are usually secondary or tertiary in importance in determining a Latin American nation’s prospects for democracy....”<sup>176</sup> Geoffrey Pridham argues that, especially in regard to Eastern Europe, “it is, however, the contention that any bald relegation of external factors to a secondary or subordinate category is too simplistic....”<sup>177</sup> Both authors cited how external forces impacted the transitions in Eastern Europe, Southern Europe, and Latin America.

U.S. policy in the last 100 years, and more so since the fall of the Soviet Union, has promoted and assisted democratization as one of its main tenets, albeit at differing degrees and effectiveness. Abraham Lowenthal draws several conclusions with respect to U.S. influence on democratization in *Exporting Democracy: The United States and Latin America*. Prominent conclusions include:<sup>178</sup>

- The U.S. Government has adopted policies to strengthen Latin America’s prospects for democracy in political and institutional terms. These efforts have been most salient in the Caribbean region and the most distant nations (Argentina and Chile).
- U.S. influence has been more effective when it could be exercised in support of local actors and even more so when it backed locally controlled processes and institutions rather than specific participants.
- The capacity of the United States to promote democracy in Latin America is greatest where the United States is influential but not overly intrusive.

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<sup>175</sup> An in-depth contemporary work is Abraham Lowenthal, ed., *Exporting Democracy: The United States and Latin America* (Baltimore: The Johns Hopkins University Press, 1991). Another excellent source is Geoffrey Pridham, Eric Herring, and George Sanford eds., *Building Democracy? Specific works reviewing U.S.-Cuban relations include Jorge I. Domínguez and Rafael Hernández, eds. U.S. Cuban Relations in the 1990s* (Boulder: Westview Press, 1989); Jorge I. Domínguez, “U.S.-Cuban Relations: From the Cold War to the Colder War,” *Journal of Interamerican Studies and World Affairs* (Fall 1997); Domínguez, “Cuba in the International Community in the 1990s: Sovereignty, Human Rights, and Democracy,” in Tom Farer, ed. *Beyond Sovereignty: Collectively Defending Democracy in the Americas* (Baltimore: Johns Hopkins University Press, 1996).

<sup>176</sup> Abraham Lowenthal, “Learning from History,” in *Exporting Democracy*, 400.

<sup>177</sup> Pridham, “The International Dimension of Democratization,” 9.

<sup>178</sup> Lowenthal, “Preface and Acknowledgments,” ix, and “Learning from History,” 398-401.

- U.S. business and organized labor have had an impact in Latin America; and U.S. economic policies have also played a key role in Latin democratization.

Three substantial inferences can be drawn with regard to external actors and democracy. First, international forces can play in role in democratization. It is probably not as important as the roles political, economic, and civil societies play within a nation, but external forces can have a dramatic effect on the key elements that facilitate transitions to democracy. Second, the United States in particular has an ability to affect transition. The U.S. position is uniquely strong in Latin America and has been bolstered by the fall of the Soviet Union. Third, international actors can have an impact on transitions especially in today's increasingly economically interdependent world. Pridham insightfully summarizes his work noting that it "more than confirms the initial view that the international dimension is a principal component of the democratization process....It is turning out to be a crucial condition of success."<sup>179</sup>

### **C. INTERNATIONAL FACTORS THE CUBAN HISTORICAL CASE**

The importance of international factors in Cuba is evinced by its history. Christopher Columbus discovered Cuba in 1492 and his son settled it in 1511. Cuba remained under Spanish rule for the next four centuries, despite some Cuban rebellion and a brief period of British occupation in the eighteenth century.<sup>180</sup> U.S. forces defeated the Spanish in 1898 and Spain relinquished control of Cuba. Cuban independence was declared in 1902 approximately 80 years after the rest of Spain's colonies revolted. Almost immediately after Cuban independence, the United States enacted the Platt Amendment. Under Platt, Cuba became a U.S. protectorate and the Cuban constitution

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<sup>179</sup> Pridham, Eric Herring, and George Sanford, "Introduction," in *Building Democracy?*, 5.

<sup>180</sup> Free Cuba Foundation, "Brief History of Cuba." Available [Online] <<http://www.fiu.edu/~fcf/histcuba.htm>> [1 June 1998].

was amended to allow U.S. intervention to protect “life, property, and individual liberty” in Cuba. U.S. forces intervened in Cuba seven times over the next 32 years.<sup>181</sup>

In 1934, U.S. abolished the Platt Amendment. Fulgencio Batista gained control of Cuba in 1934 and ruled through 1940. In 1940, a Cuban constitution was established and Batista was elected as president.<sup>182</sup>

In June 1944, Batista permitted free elections, which were won by Raul Grau San Martin who defeated Batista’s candidate Carlos Saladrigas. Grau was later defeated in 1948 by Carlos Prio Socarras. Cuba’s 12 years of democracy ended in 1952, with Batista establishing a military dictatorship and suspending the constitution.<sup>183</sup>

In 1959, Fidel Castro came to power forcing Batista to flee. From 1959-1991, the United States, Cuba, and the Soviet Union played an important role in the Cold War including the Bay of Pigs failure and the Cuban Missile Crisis.<sup>184</sup> Presently, the United States and Cuba remain antagonistic.

International relationships have also been important from a Cuban perspective. The 1976 Cuban constitution acknowledged the fraternal friendship and the assistance and cooperation of the Soviet Union.<sup>185</sup> A new constitution was written in 1992, which retains a significant commitment to internationalism that is “unusual for constitutions in the world today.”<sup>186</sup> This international role is founded in Article 12.

Article 12 describes the “principles on which Cuba bases its international

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<sup>181</sup> Ibid.

<sup>182</sup> Ibid.

<sup>183</sup> Leslie Bethell, “From the Second World War to the Cold War: 1944-1954,” in *Exporting Democracy*, 43, 45, 55-56.

<sup>184</sup> Close Up Foundation “U.S. Policy Toward Cuba.” Available [Online] <<http://www.closeup.org/cuba.htm#timeline>> [31 January 1998].

<sup>185</sup> Dominguez, “Cuba in the 1990s,” in *Beyond Sovereignty*, 300.

<sup>186</sup> Ibid.

relations and includes international cooperation, and the peaceful resolution of disputes based on equality and respect.” More importantly, Cuba’s international relations are based on “the other principles proclaimed in the Charter of the United Nations and other international treaties to which Cuba is a party.” Article 12 also focuses on the key role the rest of Latin America plays on Cuba’s international landscape focusing on a common identity and a basis for economic and political integration to achieve genuine independence...especially those from Latin America and the Caribbean.”<sup>187</sup>

In sum, three important points can be considered regarding international influence and democracy in Cuban history. First, international actors have virtually always played a role in Cuba and the Cuban Polity recognizes this influence. Second, the key player in Cuba’s modern era has been the United States. Third, Cuba has had only one period of democracy in its history, and this was about two generations ago, leaving very little memory of democracy and democratic institutions on the island.

#### **D. KEY INTERNATIONAL ACTORS**

There are many significant actors that can affect the Cuban transition. Each of these external forces plays a role in the political, economic, and civil landscape of Cuba today and will likely gain in importance after Castro. As has been shown, the key international player is the United States. The rest of the international community also has a role in Cuba with Latin America, Spain (as the key actor in Europe), and Canada in particular being the most significant state actors. The Catholic Church is also influential in Cuba.

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<sup>187</sup> Ibid.

## 1. The United States

For nearly 40 years, the U.S. policy toward Castro and Cuba has been designed to bring about change on the island, with the essential objective being the departure of Castro. Part of the tough stance U.S. policy makers have taken has been to mollify the powerful Cuban American community. Nevertheless, the United States has an infamous history in Cuba and would like to see Castro gone and democracy take hold. In fact, "the overarching goal of American policy must be to promote a peaceful transition to democracy on the island."<sup>188</sup> The United States has focused most of its efforts on the political and economic arena of Cuba with various tools in place to attempt to affect change.

### a. The Embargo

The cornerstone of U.S. policy toward Cuba has been the economic embargo which is designed to affect all aspects of Cuban society. In response to Cuba's expropriation of approximately \$2 billion of U.S. properties, President Kennedy issued Presidential Proclamation No. 3447, entitled "Embargo on Trade with Cuba." The proclamation established an embargo upon trade between the United States and Cuba effective on February 7, 1962.<sup>189</sup>

The embargo has been detrimental to both U.S. and Cuban economies, but much more devastating to Cuba. If the embargo were to be lifted, annual trade between

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<sup>188</sup> Congress, House, Committee on Ways and Means, *Statement of Michael Ranneberger, Coordinator for Cuban Affairs Bureau for Inter-American Affairs, before the Subcommittee on Trade, The House Ways and Means Committee*, 7 May 1998. Available [Online]

<[http://www.state.gov/www/policy\\_remarks/1998/980507\\_ranneberger\\_cuba.html](http://www.state.gov/www/policy_remarks/1998/980507_ranneberger_cuba.html)> [15 May 1998].

<sup>189</sup> "Chronology of Cuban Affairs," 1958-1998 Released by the Bureau of Inter-American Affairs, January 12, 1998. Available [Online] [http://www.state.gov/www/regions/ara/cuba\\_chronology.html](http://www.state.gov/www/regions/ara/cuba_chronology.html) [4 May 1998].



the United States and Cuba has been estimated to range from \$3 billion to \$7 billion, with perhaps, 70 percent being exports from the United States.<sup>190</sup>

The embargo has been strengthened by two pieces of legislation in the 1990s, The Cuban Democracy Act of 1992 (Torricelli Bill or CDA) and The Cuban Liberty and Democratic Solidarity Act of 1996 (Helms-Burton or Libertad Act). The CDA seeks “a peaceful transition to democracy and the resumption of economic growth in Cuba through the careful application of sanctions directed at the Castro government and support for the Cuban people.”<sup>191</sup> The CDA condemns Castro’s human rights violations, calls for an end to military assistance to Cuba from all nations, encourages free and fair elections in Cuba and is “prepared to reduce sanctions...in response to positive developments in Cuba.” The CDA also authorizes the President to impose sanctions against countries that assist Cuba.<sup>192</sup>

Section 1705, or Track II, of the CDA is meant to support the Cuban people. It allows for humanitarian shipments of food and medicine to individual Cubans and NGOs, expands telecommunication ties to the island, and supports those organizations and individuals that advocate democratic change on the island.<sup>193</sup>

The Libertad Act is more condemning of the Castro Regime than the CDA. The stated purposes of the Libertad Act are to assist the Cuban people in regaining freedom and prosperity; to strengthen international sanctions against the Castro regime; provide for U.S. security in the face of continuing threats from the Castro government; to

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<sup>190</sup> Testimony of John Kavulich to the Congress, House, Committee on Ways and Means, *U.S.-Cuban Trade and Economic Council, before the Subcommittee on Trade Committee on Ways and Means*, 7 May 1998. Available [Online] <<http://www.cubatrade.org/congress.html>> [1 June 1998].

<sup>191</sup> The Cuban Democracy Act of 1992, sec. 3 (1992).

<sup>192</sup> Ibid.

<sup>193</sup> Ibid., sec. 1705.

encourage free and fair elections in Cuba; to provide a policy framework for the U.S. in response to a freely elected or transitional government in Cuba; and to protect U.S. nationals against the wrongful trafficking in property confiscated by the Castro regime.<sup>194</sup>

The Libertad Act attempts to accomplish these goals through four specific titles:

- Title I is designed to strengthen international sanctions against the Castro government. It does this through the enforcement of sanctions, prohibition against indirect financing of Cuba, opposing Cuban membership in international financial organizations, urging the President to impose sanctions on countries assisting Cuba.<sup>195</sup>
- Title II is designed to provide assistance to a free and independent Cuba. It outlines a policy for a transitional government in Cuba, assistance for the Cuban people and the Cuban military, and lays out requirements for lifting the embargo which requires congressional action. Title II also outlines the policies for settling outstanding claims to confiscated property in Cuba.<sup>196</sup>
- Title III is meant to protect the property rights of U. S. nationals and authorizes civil action against those trafficking in confiscated U.S. property. Presidential authority can suspend this section for 6-month periods and suspension has occurred since the Libertad Act was enacted.<sup>197</sup>
- Title IV builds on Title III by barring non-U.S. citizens who have confiscated property or traffic in such property from entry into the U.S.<sup>198</sup> Title III and IV of the Libertad Act have been the most controversial and have energized international actors against the U.S. policies.

Other U.S. policies aimed at Cuba include funding for the United States Information Agency's Radio and TV Marti, both of which transmit programs aimed at bringing democracy to Cuba. Radio Marti began its broadcasts in May 1985. It has aired programs to encourage Cubans to spoil ballots in national elections and interviews with members of the exile community eager to return to Cuba. It also broadcasts programs aimed at Cuban workers that explain how to change conditions in Cuba. The U.S. also

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<sup>194</sup> *Cuban Liberty and Democratic Solidarity Act of 1996*, sec 2, 3(1996).

<sup>195</sup> *Ibid.*, Title I.

<sup>196</sup> *Ibid.*, Title II.

<sup>197</sup> *Ibid.*, Title III.

<sup>198</sup> *Ibid.*, Title IV.

funds several human rights and democratic organizations designed to improve civil society arenas in Cuba, such as the Cuban Committee for Human Rights and the Center for Cuban Democracy.<sup>199</sup>

*b. Policy Changes*

Before the Libertad Act was instituted, U.S.-Cuban relations began to thaw chiefly concerning the migration issue. There have been three significant mass migrations from Cuba to the United States, one in 1965, one in 1980, and one in 1994. The 1994 migration was particularly important because it forced U.S. and Cuban officials into negotiations. In September 1994, the U.S. and Cuba agreed to take measures to ensure that migration between the two countries was safe, legal, and orderly. The U.S. agreed that total legal migration to America would be a minimum of 20,000 per year. In May 1995, the U.S. and Cuba reached another agreement which dealt specifically with Cubans interdicted at sea. Under this accord, Cubans interdicted at sea or who entered the Guantanamo Naval Base illegally were to be returned to Cuba provided that they did not have any legitimate protection concerns. The United States Interests Section in Havana does follow-ups with returned migrants to check on those concerns.<sup>200</sup> Meetings between U.S. and Cuban officials continue on a bi-annual basis.

More recently, President Clinton made three significant changes to Cuban policy on 20 March 1998. The policy changes streamlined and expedited the issuance of licenses for the sale of medical supplies to Cuba. They allowed for the resumption of direct humanitarian charter flights to Cuba from the U.S. and restored arrangements to

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<sup>199</sup> Tom Barry, ed. "Evaluating U.S. Democratization Policy on Cuba." *The Democracy Backgrounder* (Vol. 1, No. 3), September 1995. Available [Online] <<http://zianet.com/irc1/dbv1n3cu.html>> [15 April 1998], 4.

<sup>200</sup> "Chronology of Cuban Affairs."

permit Cuban-American families to send remittances to their relatives in Cuba (up to \$300 per quarter).<sup>201</sup>

c. *U.S.-Cuban Relations in the International Arena*

Two aspects of U.S.-Cuban relations gain international attention annually, Cuba's human rights record and the embargo. In 1988, the United Nations Human Rights Commission (UNHCR) sent a special delegation to Cuba to look into human rights conditions. Castro cooperated with this delegation but refused to do so on subsequent visits. In 1992, the UNHCR appointed a special rapporteur who found ample evidence of substantial human rights violations in Cuba. In December 1997, the UN General Assembly adopted a resolution which "[deplored], the arbitrary arrest, detention and harassment of Cuban citizens, in particular members of the Dissident Working Group and the independent press, for peacefully seeking to exercise their civil and political rights."<sup>202</sup> The General assembly also pointed to the U.S. embargo as factor which exacerbated the human rights issue in Cuba.

In April 1998, however, the UNHCR declined to condemn Castro's Human Rights for the first time since 1991. The vote was 19-16 with 18 abstentions. The Chilean foreign minister, in a statement which likely echoed the sentiments of other international actors, noted: "in Cuba, it is necessary to open a dialogue, a debate, and the proposed resolution just slammed the door on what has already been done."<sup>203</sup>

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<sup>201</sup> Secretary of State Madeleine K. Albright, "Opening Remarks on Cuba at Press Briefing followed by Question and Answer Session by other Administration Officials," (Washington, D.C., March 20, 1998), As released by the Office of the Spokesman U.S. Department of State. Available [Online] <http://secretary.state.gov/www/statements/1998/980320.html> [4 May 1998].

<sup>202</sup> United Nations, General Assembly, *Situation of Human Rights in Cuba*, 12 December 1997, Resolution 52/143. Available [Online] <<http://www.unhchr.ch/html/menu4/gares/gares143.htm>> [1 June 1998].

<sup>203</sup> Referenced in Susan Candiotti, "Cuban Dissidents Uneasy after UN Vote: Measure Condemning Human Rights Record Fails in World Body," *CNN World News* 23 April 1998. Available [Online] <<http://europe.cnn.com/WORLD/americas/9804/23/cuba.un.ap/index.html>> [1 June 1998].

In 1992, Cuba introduced a measure to the UN General Assembly calling upon the U.S. government to end the embargo. The General Assembly condemned the embargo by a vote of 59 to 3, with 71 abstentions. The resolution, though non-binding, has been approved by the General Assembly each subsequent year. The October 1998 vote was 157 to 2, with 11 abstentions. Most of our allies including the United Kingdom, Canada, and every Latin American Nation voted in favor of condemning the embargo: "according to one diplomat from a friendly country to the United States, the Cubans did not even have to lead the fight."<sup>204</sup>

In sum, U.S. policies have been sharply focused on Cuban political society, while generally holding economic society hostage, and have ultimately been confrontational. A few U.S. policies have targeted civil society but these too have chiefly been antagonistic. International actors have viewed the U.S. approach negatively, as shown in the UN votes. Recently, America's policies toward Cuba have softened and could play a less combative role with respect to Cuban political, economic, and civil society. Regardless of Washington's stance toward Cuba, the United States will surely play a major role in a Cuban transition.

## **2. Latin America**

"One of Cuban foreign policy's main achievements in the 1980s was the re-establishment of diplomatic relations with the major countries of Latin America; Cuba thus broke with more than two decades of almost complete isolation within the hemisphere (the exception was Mexico, which never cut ties with Cuba)."<sup>205</sup> Castro

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<sup>204</sup> Quoted in Youssef M. Ibrahim, "UN Votes, 157-2 in Nonbinding Referendum Against U.S. embargo of Cuba," *New York Times*, 15 October 1998.

<sup>205</sup> Boris H. Yopo, "Latin American Perspectives on the Cuban Transition," The Georgetown University Caribbean Project's Cuba Briefing Paper Series (Number 3, July 1993). Available [Online] <<http://www.georgetown.edu/sfs/programs/clas/Caribe/bp3.htm>>[12 June 1998], 1.

began to roll back his policy of exporting revolution. In return, many Latin governments began to normalize relations with Cuba. "In effect, after this step was taken, Cuba became a domestic and foreign policy issue of secondary importance for the countries of the region."<sup>206</sup>

Latin American no longer saw Cuba as a threat because Havana had stopped exporting revolution, and it was no longer a valid model for socialist movements. This was due to "Cuba's long dependence on the Soviet subsidies, its inefficient economy, and its rejection of pluralist democracy...."<sup>207</sup>

Latin nations now are more concerned about a peaceful transition in Cuba and the dangers a violent change could impose on them:

From a Latin American perspective, the key issue now is how to facilitate a gradual and peaceful transition with minimal foreign interference in Cuba. Many Latin American governments, especially those that share the same geographical space with Cuba (that is, the Caribbean Basin), are worried that turmoil in Cuba could create regional instability and domestic crisis in their respective countries, so for them Cuba has become a problem of national security.<sup>208</sup>

In accord with the recent Latin American stance virtually every Latin nation has reestablished ties with Cuba.

In regard to Helms-Burton Act, the Latin American nations have also sided with Cuba, often condemning Helms-Burton. Mexico's reaction in particular provided increased alliances with Cuban polity. The Mexican congress condemned Helms-Burton as illegal and they reaffirmed Mexico's "solidarity with the Cuban People" instructing the Mexican Government to carry out joint actions with other countries.<sup>209</sup>

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<sup>206</sup> Ibid., 3

<sup>207</sup> Ibid., 4

<sup>208</sup> Ibid., 7

<sup>209</sup> Joaquin Roy, "The Helms-Burton Law: Development, Consequences, and Legacy for Inter-American and European-US Relations." *Journal of Interamerican Studies and World Affairs* (Fall 1997), 87.

### 3. Spain

Spain and Cuba share a special relationship based on cultural heritage and a common language. The Cuban issue in Spanish politics is nearly as charged as it is in Miami. Spain has consistently been one of Cuba's largest trading partners, and Spanish businesses are heavily invested in Cuba.

In 1993, a team of experts led by former economics minister, Carlos Solchaga, was sent to Cuba to assess the economic situation and advise the Cuban government. Solchaga became an adviser to Castro and has been recognized as a key component of the market reforms in Cuba.<sup>210</sup> In addition to encouraging the Cubans to make deeper and more rapid economic reforms, Spain has also pressured Havana to allow greater political pluralism and to respect human rights. The Spanish embassy in Havana closely tracks individual cases of political imprisonment and often lobbies hard for the release of such prisoners.<sup>211</sup>

Cuban relations with Spain soured when Spanish Prime Minister Jose Maria Aznar took office in 1996 and began to take a hard line toward relations with Castro. Aznar was a key figure in achieving European Union support for demands that Castro introduce democratic reforms. Castro rejected the Spanish Ambassador in 1996 when the ambassador told reporters that he would welcome Cuban dissidents at the Spanish embassy. The post was left vacant for 16 months but a replacement was named in April

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<sup>210</sup> "A Crash Course in Economics," *The Economist*, 6 April 1996, S5.

<sup>211</sup> Gabriel A. Ondetti, "Western European and Canadian Relations with Cuba after the Cold War," *The Georgetown University Caribbean Project's Cuba Briefing Paper Series* (Number 9, November 1995). Available [Online] <<http://www.georgetown.edu/sfs/programs/clas/Caribe/bp9.htm>>[15 April 1998], 5.

1998. Aznar noted that "it reflects the normalizing of relations...."<sup>212</sup> In addition, King Juan Carlos is expected to visit Cuba sometime in 1999.

#### 4. Canada

Canada has probably been the most significant actor in Cuba outside of the United States. Canada has taken various initiatives to try to expand Cuba's economic opening and improve its commercial and political ties on the island. Canada has been harsh in its criticism of the U.S. embargo and the Libertad Act, but also of Castro's human rights record. Canadian business executives are heavily involved in Cuba's mining, oil, tourist, and electrical industries. Additionally, they have been key in bringing western-style management practices to Cuba.<sup>213</sup>

The relationship between the two countries was recently highlighted by Canadian Prime Minister Jean Chretien's two-day visit to Cuba in April 1998 after having been invited by Castro. This was the first visit by a Canadian head of government since Prime Minister Pierre Trudeau in 1976.<sup>214</sup>

Chretien was not there to coddle Castro; he told reporters that Castro "has to change." Chretien's visit yielded some important precedents including the live broadcast on state-run television of his airport arrival speech, his open meeting with the head of Cuba's Catholic Church, and talks with several independent NGOs. Chretien appealed to Castro to free four leading dissidents jailed without trial. Essentially, Canada has

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<sup>212</sup> Quoted in Kernan Turner, "Spain Names Ambassador to Cuba," *The Associated Press*, 2 April 1998.

<sup>213</sup> William C. Symmonds, Gail De George, and Gail Reed. "Castro's Capitalist," *Business Week International* Number 3518 (March 17, 1997).

<sup>214</sup> "Canada's Chretien Visits Cuba," *Reuters*, April 26 1998.



followed an engagement policy which it feels is more effective than the U.S. road.<sup>215</sup>

To illustrate the importance of Canada, Spain, and the countries of Latin America in Cuba, Table 5.1 shows how significant they have been in Cuba's economic recovery.

Together, they account for more than two-thirds of the investment in Cuba.

**Table 5.1 Amount of pledged and delivered investments in Cuba from selected areas since 1990 (in millions of dollars.)\***

Country or Area	Amount Pledged	Amount Delivered
Canada	1341	600
Latin America <sup>†</sup>	2092	500
Spain	350	100
<b>Total Canada, Latin America, and Spain</b>	<b>3783</b>	<b>1200</b>
<b>All Countries</b>	<b>5636</b>	<b>1756</b>

\* Source: U.S.-Cuba Trade and Economic Council, "Foreign Investment and the Republic of Cuba." Available [Online] <http://www.cubatrade.org/foreign.html> [1 June 1998].

<sup>†</sup> The Latin American nations include Brazil, Chile, The Dominican Republic, Honduras, Jamaica, Mexico, Panama, Uruguay, and Venezuela

To summarize, the international community has followed three policies to affect change in Cuba. First, economic liberalization is expected to lead to greater political freedom. Second, open dialogue is more effective than confrontation and isolation. Third, the embargo promotes chaos, not peaceful change.<sup>216</sup> Canada, Spain, and Latin Nations have been able to have a liberalizing impact on Cuban economic, civil, and political society.

#### **5. The Catholic Church**

The Catholic Church is the another critical actor in Cuba. Because of its role as an independent element of Cuban society, the Catholic Church has the unique ability to

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<sup>215</sup> Quoted in "Canada's Chretien tells Castro to Change," *Reuters*, 28 April 1998. The four dissidents Felix Roque, Vladimiro Roca, Felix Bonne and Rene Gomez Manzano were detained July 16, 1997 after openly calling for democratic reforms in Cuba's one-party communist system. See Andrew Cawthorne, "Canadian Plea Buys Cuba prisoners' families," *Reuters* 27 April 1998

<sup>216</sup> Ondetti, "Western European and Canadian Relations with Cuba after the Cold War," 10-11.

affect change from within Cuba as well as in the international realm. The Church has recently gained importance in Cuba because of the visit of the Pope in January 1998.

As pointed out in Chapter IV, since 1991 the Church has taken on a strong role in attempting to force change in Cuba. It has been prominent in calling for reconciliation with exile groups, has publicly decried the state's control of the media, and has challenged governmental policies regarding human rights.

The Papal visit from 21-25 January 1998 also provided the church greater space and a higher profile in Cuban society. The Pope has already made a difference. In the month following his visit, Cuban bishops called for broader discussions with Castro and an increased role for the island's needy. They even published a document, "Open Your Hearts to Christ," and were able to circulate it inside of Cuba.<sup>217</sup> Cuba also announced the release of 299 prisoners including political prisoners. Although human rights organizations had been able to confirm the release of a little more than one third by April 1998, this marks a significant contribution to civil rights in Cuba.<sup>218</sup>

Catholic charities have poured in \$25 million in humanitarian assistance to Cuba over the past five years and are now moving to expand their work, according to the chief of the Latin American section of *Caritas*. The increased work includes providing classes to and extending credits to small-business entrepreneurs. "In the past we have supervised aid, now it's time to move ahead. There's a new reality."<sup>219</sup>

On the whole, the Church has a tremendous ability to affect Cuban society internally and externally. The Church has shown its ability to reach political, economic,

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<sup>217</sup> "Cuban Bishops Call for Positive Dialogue," *Miami Herald*, 21 February 1998.

<sup>218</sup> Martin Langfield, "Varied Fruits of Pope's Trip Divide Cuban Exiles," *Reuters*, 7 April 1998.

<sup>219</sup> Quoted in Victor L. Simpson, "Vatican Sees Advances in Cuba," *The Associated Press*, 17 April 1998.

and civil society in Cuba with greater impact and access than other institutions. The Church is uniquely "positioned to facilitate peaceful change both within Cuba and in Cuba's relations internationally."<sup>220</sup>

#### **E. AN AVENUE FOR CHANGE?**

Earlier in this chapter, the importance of international actors on democratization was outlined. In all transitions, national sovereignty must be acquired before international players can make a lasting difference: "...the consolidation of national sovereignty is a precondition for the implantation of a representative democracy.... For a government to be securely democratic, it must establish its authority and policy effectiveness throughout the national territory, and must secure international acceptance of that authority."<sup>221</sup> Fidel Castro has achieved Cuban sovereignty over the past four decades and has surely consolidated it in the 1990s. Jorge I. Domínguez correctly asserts that "Cuba affirms its national sovereignty more than its Marxism-Leninism and the inclusiveness of nationality more than to class politics."<sup>222</sup> With national sovereignty not in doubt, international actors can make a difference in Cuba.

Cuba has undertaken progressive reforms in key political, economic, and civil areas since the collapse of the Soviet Union. While many of these changes have been implemented to maintain the current regime, the international community has had some impact. International actors can make a difference in Cuba, but how much can they affect in Cuba after Castro? External factors will play an important role in Cuba after Castro as summarized in Table 5.2

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<sup>220</sup> Malone, "Congressional Testimony"

<sup>221</sup> Laurence Whitehead, "The Imposition of Democracy," in *Exporting Democracy*, 239.

<sup>222</sup> Domínguez, "Cuba in the 1990s," 301.

**Table 5.2 Potential for Democratic Transition in a Post-Castro Cuba: International Factors.**

<b>International Actors on Cuban Arenas</b>	<b>Support for Liberalization</b>	<b>Impediments to Liberalization</b>	<b>Potential for Liberalization (High, Moderate, Low)*</b>
<b>Economic Society</b>	Foreign investment, joint ventures, Cuban economic liberalization	The U.S. embargo, Cuba's statist policies	High
<b>Political Society</b>	Reintegration into the international community, collapse of communism	U.S.-Cuba relations	Low to Moderate
<b>Civil Society</b>	Opening to the Church and other international players, recent changes in U.S. policy	The radical portion of the exile community, some U.S. policy	Moderate

\* High = International factors that contribute to liberalization are in place and a post-Castro relationship will likely improve trend toward democratization.

Moderate = International factors that contribute to liberalization are in place but state control may not be overcome in a post-Castro transition.

Low = International factors that contribute to liberalization are not in place and the post-Castro state will likely impede an increasing trend for democratization.

#### **1. Political Society**

In the international arena, Cuba has ceased exporting revolution and aggressively pursued acceptance in the international community. Havana has sought to engage Canada, the countries of Latin America, and Western Europe. Castro has allowed foreign representatives such as the Pope and Prime Minister Chretien public access and accepted mild criticism. Castro has worked hard to isolate U.S. policy in the international arena and has gained support from a multitude of international actors in condemning it. Prior to the collapse of the Soviet Union, Cuba was one of the states that disrupted world relations and prided itself as a leader of the Nonaligned Movement. Today, Cuba maintains diplomatic relations with 164 countries.<sup>223</sup>

<sup>223</sup> U.S.-Cuba Trade and Economic Council. "Realities of MarketCuba." Available [Online] <<http://www.cubatrade.org/market.html>> [1 June 1998].

## **2. Economic Society**

International actors have been essential in Cuba's economic liberalization. Cuba's ambitious Foreign Investment Law of 1995 opened broad areas of the Cuban economy to the international market. The policies of reintegration, expanded trade, joint ventures, and free trade zones are truly positive features that portend further market reforms. In fact, there are more than 330 joint ventures operating in Cuba and total foreign investment exceeds \$1.5 billion.<sup>224</sup> Havana is required to maintain a course of economic liberalization to stave off the collapse of its economy, political unrest, and to ensure regime survival. Cuba's austere fiscal policy has opened a path for reformers and has helped to create a framework for market-oriented policies. Privatization in land, labor, and industry, though limited, is gaining influence and will play a vital role in transformation to a market economy. Economic involvement from forces outside of Cuba has had the greatest impact toward market reforms and will continue to do so after Castro.

## **3. Civil Society**

The Church's power has grown since the visit of Pope John Paul II, and while not strong enough yet to pose a significant challenge to Castro, it has bolstered civil society in Cuba. The changes in Cuba's relations with other countries has promoted ties between civil groups and individuals that can only help to promote the strengthening of civil society. Policy changes in the U.S. allowing for increased remittances and greater communication can also serve to enhance political society by providing greater information and wealth, which will in turn help support economic society.

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<sup>224</sup> Ibid.

A danger is posed to Cuban civil society from the more radical elements of the Cuban exile community who maintain a vigorous hatred of Fidel and want to return to Cuba and reclaim property. Additionally, this group could serve to foment discord in Cuba's civil society because many of them were wealthy when they left Cuba. Ramifications could also be felt in race relations because much of the exile community is white.

## **F. CONCLUSION**

A transition to democracy in Cuba after Castro is hardly a foregone conclusion. International actors, with the exception of the United States, appear poised and ready to usher in market liberalization which they hope will help transform the political arena in Cuba and support the ever-growing civil arena. U.S. policy regarding Cuba has been softening recently and will likely do so at an increased pace after Castro.

International forces have had a positive impact in the democratic transitions that have occurred in the last three decades. While international forces cannot be the key instruments of democratic change in Cuba, they have tremendous resources and experience in transition and instituting democratic norms. International institutions can provide a guide for the political, economic, and civil society actors within Cuba that will affect change after Castro. In today's interdependent political and economic world, international forces, and the United States specifically, are sure to play an important role in liberalizing Cuba after Castro.

## VI. CONCLUSIONS AND RECOMMENDATIONS

### A. CONCLUSIONS

The primary focus of this thesis has been the transition path on which Cuba has been since the collapse of the Soviet Union in four key arenas. Liberalization has been emphasized because it almost always precedes democracy. The arenas were examined to find what levels of liberalization, if any, have occurred since Cuba began its transition. Table 6.1 summarizes the findings in this thesis and shows the potential for democratic transition in a post-Castro Cuba.

**Table 6.1 Potential for Democratic Transition in a Post-Castro Cuba.**

<b>Arena</b>	<b>Support for Democratic Transition</b>	<b>Impediments to Democratic Transition</b>	<b>Potential for Democratic Transition (High, Moderate, Low)*</b>
<b>Political Society</b>	National sovereignty, mass participation, increased access electoral process, institution of the FAR and their acceptance of civilian control	No organized parties, Castro legacy, single party domination without institutional norms, involvement of military in political process	Low
<b>Economic Society</b>	Liberalization in trade, privatization, fiscal reform, entrepreneurship	Poor credit market, high public expenditures, no property rights, no large private enterprise	Moderate to High
<b>Civil Society</b>	Homogeneity, increased access to polity through CPs; weakened state; Catholic Church, NGOs	Governmental control over all means of power; culture of fear	Low to Moderate
<b>International Factors</b>	Foreign Investment, reintegration into the international community, opening to the Church, recent U.S. policy change	The radical portion of the exile community The U.S. embargo, Cuba's statist policies	Moderate

\* High = Factors for liberalization are in place and will bring about dramatic change post-Castro  
 Moderate = Factors for liberalization are in place but not sufficiently so to bring about dramatic change post-Castro

Low = Factors for liberalization are not sufficiently in place to bring about dramatic change post-Castro.

## **1. Political Society**

The overall prospects for democratic transition in Cuban political society are low. Main hindrances include the lack of an organized and institutionalized party system, the complete domination of political society by the Castro brothers and the Communist Party, and certain military prerogatives, such as the FAR's role in politics and the Cuban Economy.

Not all is bad for political society, however. Some liberalization has occurred in the national electoral system that was put in place in response to societal demands. Despite their involvement in the political process, the Cuban military also appears to be a moderating force because of their position as a strong institution. They have supported market-oriented changes, and have accepted civilian control. Most importantly, Cuba has established national sovereignty, a prerequisite for democracy.

## **2. Economic Society**

The prospects for liberalization and democratization in the Cuban economy are moderate to high. Many positive changes have occurred in the Cuban economy since the collapse of the Soviet Union. There is greater access to foreign capital, privatization has occurred at many levels of society, and the Cuban entrepreneurial spirit are all aspects that support greater freedoms. This increased liberalization can help bolster civil society and the two arenas can make further gains from the state.

On the down side, Cuba remains a mostly statist economy, has little access to capital, and a large portion of their budget is devoted to social programs. Also, there is no means for citizens to hold private property and no medium or large enterprises that can wrest substantial gains in liberalization from political society.



### **3. Civil Society**

Civil Society in Cuba remains in its infancy. Gains have been made in access to the governmental process, the creation of NGOs, and the renewed involvement of the Catholic Church. The homogeneity of Cuban society bodes well for the development of a robust civil society after Castro.

Yet, the state remains very strong in Cuba. They maintain virtually all the means of control in society and have been able to limit societal gains, or at least co-opt them. The culture of fear that Castro has created will remain a legacy after he is gone. Overall, the prospects for a democratic transition in civil society are low to moderate.

### **4. International Factors**

International factors have been playing a positive role in liberalizing Cuban economic society and supporting growth in Cuban civil society. The visit of the Pope in January 1998 was a watershed event that can help Cuban civil society and pressure political society into change. Cuba appears committed to its reintegration of Cuba into the international community. Some recent U.S. policy initiatives appear to be helping civil and economic society.

The U.S. embargo of Cuba still is a great hindrance to the prospects for liberal transition. In many ways it limits the growth of economic society and provides Castro a convenient scapegoat for his economic problems. The radical elements of the exile community could also be a negative factor in Cuba's transition, especially if they are determined to regain expropriated property. Overall, international factors have a moderate chance of supporting democratic transition in Cuba.

## B. TESTING THE THEORY

At the onset of this thesis, a theory was proposed which hypothesized that democratic transition and consolidation is based on key political arenas and paths toward liberalization and change. The argument presented here took that theory, adding the arena of international factors, to determine what outcomes may be possible in a post-Castro Cuba.

Table 6.2 is presentation of a comparison of Linz and Stepan's findings concerning democratic consolidation and the findings for Cuba's prospects for democratic transition after Castro in this thesis. Although Linz and Stepan focus their work on democratic consolidation, their hypothesis and conclusions can be easily transferred when analyzing democratic transition. A critical factor in determining transitional outcomes is their prior regime type and the path that country follows toward change. In Cuba's case, their regime type best fits into the Linz and Stepan category of post-totalitarian.<sup>225</sup>

**Table 6.2 Comparison of Linz and Stepan Implications of Prior Non-democratic Regime (Post-totalitarian) with Cuban Prospects for Democracy in Critical Arenas.**

<b>Arena</b>	<b>Linz and Stepan Implications for Democratic Consolidation</b>	<b>Prospects for Democratic Transition in Post-Castro Cuba</b>
<b>Political Society</b>	Low	Low
<b>Economic Society</b>	Low to Medium	Medium to High
<b>Civil Society</b>	Low to Medium	Low to Medium
<b>International Factors</b>	Not analyzed	Medium

Source: Linz and Stepan, *Problems of Democratic Consolidation*, 56.

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<sup>225</sup> Linz and Stepan discuss four types of regime types: authoritarian, totalitarian, post-totalitarian and Sultanism. While Cuba exhibits elements of all of these regime types, it best fits into the post-totalitarian category. This is because there are reformers and reforms in Cuba and political space has been created by and for economic and political society. See Linz and Stepan, *Problems of Democratic Consolidation*, 38-65.

When comparing the conclusions in this thesis with Linz and Stepan's only the prospects for transition of economic society stand out. This likely stems from the importance of the current-day world economy and the emphasis placed on international factors in this thesis, whereas Linz and Stepan virtually ignore them.

**C. IT IS TIME TO COME IN FROM THE COLD: U.S. STRATEGY FOR CUBA IN THE NEW MILLENNIUM**

The research presented here has implications for current U.S. policy which, if followed, could lead to a smoother transition in Cuba after Castro. As pointed out in Chapter V, U.S.-Cuban relations have been antagonistic since Castro came to power. The most notable incidents were the Bay of Pigs and the Cuban Missile Crisis. Other disasters include the mass migrations from Cuba in 1965, 1980 and 1994. This relationship, an anachronism, still exists almost ten years after the collapse of the Berlin wall as the last vestige of the Cold War.

Since the watershed events of the 1960s, Castro has continually emboldened himself, his revolution, and Cuban nationalism; often in direct political conflict with the U.S. Castro has portrayed the United States as an evil nation, bent upon destroying the virtues of the revolution, and can point to acts by the U.S. such as the Bay of Pigs or the embargo as empirical facts to support his proposition.

Without rehashing all of U.S. policy, it is fair to say that policies such as the Cuban Democracy Act of 1992 (Torricelli Bill or CDA) and the Cuban Liberty and Democratic Solidarity Act of 1996 (Helms-Burton or Libertad Act) have served to exacerbate U.S.-Cuban relations. Arguably, these policies have done more to prop up Castro than to bring about democratic change in Cuba and appear to run counter to the U.S. National Security Strategy of engagement. Recent policy initiatives that seek to

provide humanitarian assistance, allow for travel and cash remittances are on the right track in promoting peaceful change in Cuba but do not go far enough. If the United States is going to play a role in the democratization of Cuba, it must be part of a system already in place. If the United States continues to try to change Cuba from the outside, the Cuban people will reject U.S. interference when Castro is gone.

#### **D. POLICY OPTIONS**

In essence, there are two policy options available to decision-makers; maintain or lift the embargo. Arguments in favor of lifting the embargo are naturally the contrary arguments for the maintenance of the embargo. Table 6.3 lists some of the most prominent arguments for lifting and maintaining the embargo.

**Table 6.3 Arguments for Lifting or Maintaining the U.S. Embargo of Cuba**

<b>Item</b>	<b>Lift the Embargo</b>	<b>Maintain the Embargo</b>
<b>1</b>	The embargo is morally wrong because it punishes the Cuban people and not the Castro government.	Lifting the embargo absolves Castro of his crimes: theft of U.S. property, murder, and human/civil rights violations of the Cuban people.
<b>2</b>	The policy is hypocritical; the U.S. trades with Vietnam and China, Why not Cuba? Moreover, the embargo is ineffective, Cuba continues to trade with numerous countries.	Business dealings in Cuba are de jure dealings with Castro. Countries that currently trade with Cuba are required to pay Castro's government for their employees. Castro pays laborers poorly and keeps the rest to prop up his regime.
<b>3</b>	The embargo is a relic of the Cold War and is senseless because Castro poses no threat to the U.S..	Castro poses a threat because he is obsessively anti-American, anti-democratic, has fomented revolution in the past, can and has unleashed migration warfare against America
<b>4</b>	The embargo has failed for nearly 40 years it is time to take another approach.	Continued economic pressure will imperil the Castro regime. Without a Soviet benefactor, the embargo actually has a chance to work.
<b>5</b>	The embargo alienates us from our allies. Although it is designed to isolate Castro, the embargo has in effect isolated the U.S..	America must stand up for human rights, political pluralism, and market economics even if our allies do not.
<b>6</b>	Castro allowed the Pope to visit and has released political prisoners, he is showing signs of mellowing.	Rapprochement with Castro has not worked in the past
<b>7</b>	Lifting the embargo would strip Castro of his final vestige of blame for the U.S. and the Cuban people would realize that it has been Castro's economic policies, not the U.S., that has ruined Cuba.	The embargo is the only tool available to U.S. policy makers that can institute change in Cuba.
<b>8</b>	U.S. businesses are missing out on tremendous possibilities in Cuba.	When Castro is gone and relations normalized, U.S. business will have a distinct advantage in Cuba based on proximity alone. It will take very little time before the U.S. is Cuba's largest trading partner.
<b>9</b>	Castro has instituted economic reforms which undoubtedly will lead to political reform. The embargo makes Cubans more anti-American, thus more in favor of Castro, and stifles political dissent.	Castro has not instituted any real steps toward market liberalization or political reform.
<b>10</b>	Tourism and trade will raise expectations in Cuba and bring about change. Foreign currency, especially the dollar, is pervasive in Cuba. Other western ideals are permeating Cuban society. Lifting the embargo will further the spread of Western ideals.	Those who argue that contact with the West would help topple Castro neglect the fact that Cubans are restricted from the areas where Western tourists visit.

## **E. RECOMMENDATION**

The United States should work toward lifting the embargo. While there are many valid concerns that this action will only serve to prop up Castro, the embargo has proven to be an inefficient means of coaxing change on the island. The embargo has in fact served to support Castro. U.S. policy on Cuba should be altered to be focused on the threats Cuba can pose to our national security in the following areas:

- Migration. Here there is a historical precedent. There is great danger after Castro for chaos and mass migration to follow. Additionally, a 'reverse-migration' could ensue if the exile community is not taken into account.
- Counternarcotics. Cuba could easily become a transshipment point and money-laundering spot (there is some evidence that Cuba is one now). We already have military commitments to work together in this arena but they should be expanded.
- Hemispheric trade and politics. Economically Cuba holds up the Free Trade of the Americas, and keeps the hemisphere from becoming fully democratic.
- Chaotic transition. Transition in Cuba could take many forms, if it is violent, it would likely draw in the U.S. military.

The U.S. goal should be smooth, peaceful transition in Cuba – even if in fact Castro hands the Cuban reigns over to a socialist successor. The truth is, without Castro, the Cuban revolution loses its preeminent institution. In a recent press briefing Secretary of State Madeline Albright noted that U.S policy “has been, and remains, to seek a peaceful transition to democracy.... Of course, we would like to see Castro embrace democracy. However, after 38 years, he appears as autocratic as ever – continuing to arrest political dissidents and exile others. Nevertheless, the Cuban people are beginning

to think beyond Castro. We need to do the same.”<sup>226</sup> These remarks are extremely poignant because U.S. policy toward Cuba in the new millennium should entail two key elements mentioned by Albright, albeit in a bit different order: *peaceful transition* after Castro and an eventual *transition to liberal democracy*.

#### 1. Peaceful Transition

- Work toward lifting the embargo. Political reality makes this difficult but not impossible. Our stance toward Castro and Cuba as a government that does not respect human or civil rights is not affected by lifting the embargo. In fact, we will gain greater credence in the international community by pressing for change in Cuba after the United States has become a part of the process.
- Change Domestic Perception. The hard-line Cuban-exile community is in crisis. It lost their charismatic leader, Jorge Mas Canosa, and are introspective from the visit of the Pope and his condemnation of the embargo. Changing perceptions throughout the Cuban-American community to a less radical line has never been more achievable. Changing domestic perception can make lifting the embargo easier.
- Soften the Rhetoric and establish diplomatic ties. Take away Castro’s key weapon against the U.S. by establishing relations. Recognize Cuba’s sovereignty and virtues of revolution but highlight the lack of human rights, open markets, and political freedoms as a hindrance to Cuban citizens because of Castro’s ideology.
- Allay the Fears of all Cubans. Promise that there will be no U.S. threat to Cuba with Castro or without him. Ensure Cubans that Cuban exiles in the United States will not return to Cuba for their family’s land and satisfy any and all claims of the exiled Cubans. Back up this promise with an appropriate legal framework. Interestingly, when Cuba and the United States have bi-annual meetings to discuss immigration issues, the Cuban delegation includes an attorney who, besides handling immigration, is the negotiator of the asset claim settlements with Canada, Spain, France, and other countries. According to Ministry of Foreign Affairs officials, Cuba does this “just in case the United States wishes to discuss the issue of the certified claimants.”<sup>227</sup>

#### 2. Democratic Change Post-Castro

- Alter political society quietly. Continue to condemn Castro’s human rights record and lack of political plurality. Work through the Church and other human rights

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<sup>226</sup> Secretary of State Madeleine K. Albright, Opening Remarks on Cuba at Press Briefing followed by Question and Answer Session by other Administration Officials Washington, D.C., March 20, 1998. As released by the Office of the Spokesman U.S. Department of State. Available [Online] <http://secretary.state.gov/www/statements/1998/980320.html> [4 May 1998].

<sup>227</sup> Congress, House, *Testimony of John Kavulich*.

organizations that support non-communist organizations on the island. A stance from the international community will have a greater impact on the island than our current unilateral one.

➤ Target the military. The FAR is the single institution in Cuba strong enough to withstand U.S. assistance and is likely to be the key player in any transition. Continue with counternarcotics cooperation and migration accords. Institute new programs that will promote understanding toward each other's militaries: allow the Cuban's to monitor some of our military exercises, coordinate de-mining operations at Guantanamo Bay Naval Base, and allow military-to-military contacts on the island, in the United States, and at embassies throughout the world.

➤ Further the development of economic society. Continue to allow remittances and broaden U.S. business involvement in Cuba. Cubans already recognize U.S. trademarks as quality products and are eager to have U.S. business on the island.<sup>228</sup> U.S. businesses are anxious to get into the Cuban economy as well. Working toward a market economy in Cuba will instill ideas of freedom and foster an environment for increased public access and involvement in the political process.

➤ Increase support to civil society. Since 1996, the U.S., through the Agency for International Development (USAID), has given grants totaling \$2.1 million to Cuban NGOs.<sup>229</sup> First, \$2.1 million is a dismal figure for a nascent civil society. Second, support to Cuban civil society must come through NGOs such as the Church or through third-party countries such as Canada, Mexico, or Spain. The United States is still perceived as dangerous to Cuban organizations and our open governmental support can be counterproductive.

By focusing on peaceful transition and helping to build institutions that further democratic ideals, U.S. policy toward Cuba can ensure our vital interest in promoting democracy, free markets, and peace in our hemisphere. Establishing diplomatic relations, helping to build democratic institutions, reaching out to potential key elements in a transition, and eventually lifting the embargo will help to ensure a secure future for the U.S. and for Cuba.

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<sup>228</sup> John Kavulich, prepared speech on the Cuban Economy, Cuba Conference at the University of California at Berkeley, 20 March 1998.

<sup>229</sup> Michael Ranneberger Coordinator, Office of Cuban Affairs Remarks to the American Association for the Advancement of Science and the Right to Travel: Collaboration Between U.S. and Cuban Scientists Washington, DC, April 3, 1998 Available [Online]  
[http://www.state.gov/www/policy\\_remarks/1998/980403\\_ranneberger\\_us\\_cuba.html](http://www.state.gov/www/policy_remarks/1998/980403_ranneberger_us_cuba.html) [4 May 4, 1998]



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